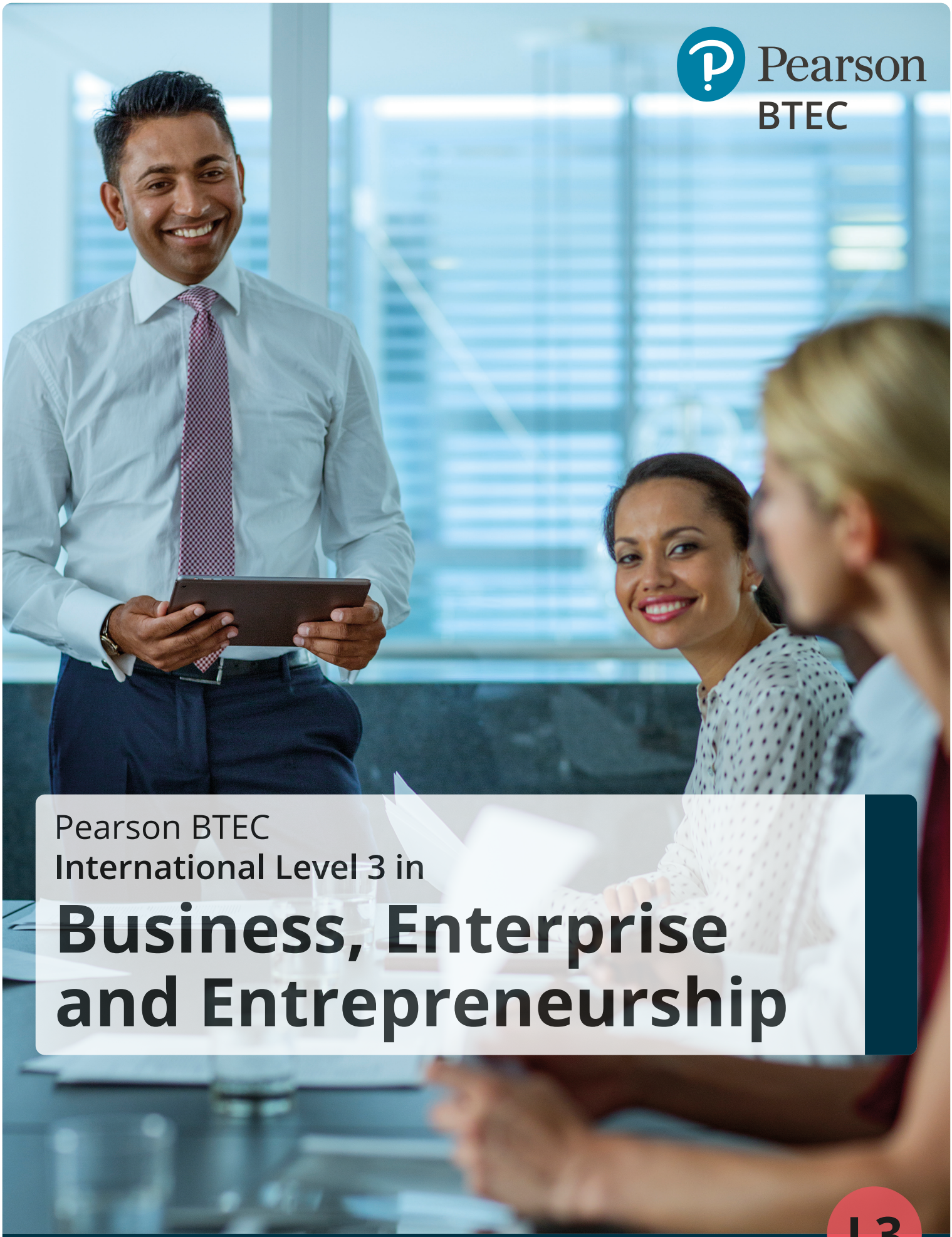

Pearson BTEC

Pearson BTEC
International Level 3 in

Business, Enterprise and Entrepreneurship

L3

Specification

First teaching from April 2020

Issue 4

Pearson BTEC International Level 3 Qualifications in Business

Pearson BTEC International Level 3 Qualifications in Enterprise and Entrepreneurship

Specification

First teaching April 2020

Issue 4

About Pearson

We are the world's leading learning company operating in countries all around the world. We provide content, assessment and digital services to learners, educational institutions, employers, governments and other partners globally. We are committed to helping equip learners with the skills they need to enhance their employability prospects and to succeed in the changing world of work. We believe that wherever learning flourishes so do people.

This specification is Issue 4. We will inform centres of any changes to this issue. The latest issue can be found on our website.

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Welcome

With a track record built over 40 years of learner success, our BTEC International Level 3 qualifications are recognised internationally by governments, industry and higher education. BTEC International Level 3 qualifications allow learners to progress to the workplace – either directly or via study at a higher level. Over 100,000 BTEC learners apply to university every year. Their Level 3 BTECs, either on their own or in combination with A Levels, are accepted by UK and international universities, and higher-education institutes for entry to relevant degree programmes.

Career-ready education

BTECs enable a learner-centred approach to education, with a flexible, unit-based structure and knowledge applied to project-based assessments. BTECs focus on the holistic development of the practical, interpersonal and thinking skills required to be successful in employment and higher education.

When creating the BTEC International Level 3 qualifications in this suite, we worked with many employers, higher-education providers, colleges and schools to ensure that we met their needs. Employers are looking for recruits who have a thorough grounding in the latest industry requirements and work-ready skills, for example teamwork. Learners who progress to higher education need experience of research, extended writing and meeting deadlines. BTEC qualifications provide the breadth and depth of learning to give learners this experience.

BTEC qualifications address these needs by offering:

- a range of BTEC qualification sizes, each with a clear purpose, so that there is something to suit each learner's choice of study programme and progression plans
- internationally relevant content, which is closely aligned with employer and higher-education needs
- assessments and projects chosen to help learners progress; this means that some assessments and projects are set by you to meet local needs, while others are set by Pearson, ensuring a core of skills and understanding common to all learners.

We provide a full range of support, both resources and people, to ensure that learners and teachers have the best possible experience during their course. See *Section 10 Resources and support*, for details of the support we offer.

Summary of Pearson BTEC International Level 3 Qualifications in Business and in Enterprise specification Issue 4 changes

Summary of changes made between the previous issue and this current issue	Page number
Unit 6 Principles of Management – Learning Aims C.M3 and C.M4 have been updated	Page 88

Summary of Pearson BTEC International Level 3 Qualifications in Business and in Enterprise specification Issue 3 changes

Summary of changes made between Issue 2 and Issue 3	Page number
Changes to the advised period for Pearson Set Assignments (PSAs)	Page 30
Additional clarification added to B2 Feasibility measures and critical success factors – sustainability and environmental factors	Page 65
Unit 6 Principles of Management – clarification of theories, theorists and models added.	Pages 83-90
Pearson is committed to creating a more sustainable world with a particular focus on the quality of education, decent work and economic growth and reducing inequalities. Our sustainable business strategy focuses on our products, people and the planet. We have inserted a new Appendix in this issue which explains how we have considered and embedded this strategy and thinking into the design and delivery of our BTEC qualifications.	Page 486
Changes to the advised period for Pearson Set Assignments (PSAs)	Page 30

If you need further information on these changes or what they mean, contact us via our website at: qualifications.pearson.com/en/support/contact-us.html.

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Introduction to the BTEC International Level 3 qualifications for the business and enterprise and entrepreneurship sectors

This specification contains all the information you need to deliver the Pearson BTEC International Level 3 Qualifications in Business and Enterprise and Entrepreneurship. We also refer you to other handbooks and policies. This specification includes all the units for these qualifications.

These qualifications are part of the suite of Business and Enterprise and Entrepreneurship qualifications offered by Pearson. In this suite, there are qualifications that focus on different progression routes, allowing learners to choose the one best suited to their aspirations. These qualifications are not regulated in England.

All qualifications in the suite share some common units and assessments, which gives learners some flexibility in moving between sizes.

In the business and enterprise and entrepreneurship sector these qualifications are:

Pearson BTEC International Level 3 Certificate in Business

Pearson BTEC International Level 3 Subsidiary Diploma in Business

Pearson BTEC International Level 3 Foundation Diploma in Business

Pearson BTEC International Level 3 Diploma in Business

Pearson BTEC International Level 3 Extended Diploma in Business

Pearson BTEC International Level 3 Certificate in Enterprise and Entrepreneurship

Pearson BTEC International Level 3 Subsidiary Diploma in Enterprise and Entrepreneurship

Pearson BTEC International Level 3 Foundation Diploma in Enterprise and Entrepreneurship

Pearson BTEC International Level 3 Diploma in Enterprise and Entrepreneurship

Pearson BTEC International Level 3 Extended Diploma in Enterprise and Entrepreneurship.

This specification signposts the other essential documents and support that you need as a centre in order to deliver, assess and administer the qualifications, including the staff development required. A summary of all essential documents is given in *Section 7 Administrative arrangements*. Information on how we can support you with these qualifications is given in *Section 10 Resources and support*.

The information in this specification is correct at the time of publication.

Qualifications, sizes and purposes at a glance

Business

Title	Size and structure	Summary purpose
Pearson BTEC International Level 3 Certificate in Business	180 GLH Equivalent in size to 0.5 of an International A Level. Two mandatory units of which one is assessed using a Pearson Set Assignment. Mandatory content (100%).	An introduction to the business sector through applied learning, that supports progression to higher education. This qualification can form part of a programme of study that includes other vocational or general qualifications.
Pearson BTEC International Level 3 Subsidiary Diploma in Business	360 GLH Equivalent in size to one International A Level. At least four units* of which two are mandatory and at least one* is assessed using a Pearson Set Assignment. Mandatory content (50%).	A broad basis of study for the business sector. Designed to support progression to higher education when taken as part of a programme of study that includes other appropriate BTEC International Level 3 qualifications or International A Levels.
Pearson BTEC International Level 3 Foundation Diploma in Business	510 GLH Equivalent in size to 1.5 International A Levels. At least six units* of which four are mandatory and at least two* are assessed using a Pearson Set Assignment. Mandatory content (52%).	Designed as a one-year, full-time course, covering the fundamentals in the business sector, which supports progression to a work-based learning qualification in the business sector, or to a further year of study at Level 3. It supports progression to higher education if taken as part of a programme of study that includes other BTEC International Level 3 qualifications or International A Levels.
Pearson BTEC International Level 3 Diploma in Business	720 GLH Equivalent in size to two International A Levels. At least nine units* of which five are mandatory and at least two* are assessed using a Pearson Set Assignment. Mandatory content (67%).	Designed to be the substantive part of a 16–19 study programme for learners who want a strong core of business sector study. Other vocational or academic qualifications or non-qualification elements can complement it to support progression to specific job roles or to higher education business courses.

** The exact number of units is dependent on the guided learning hours of units selected.*

Title	Size and structure	Summary purpose
Pearson BTEC International Level 3 Extended Diploma in Business	1080 GLH Equivalent in size to three International A Levels. 15 units of which six are Mandatory and three are assessed using a Pearson Set Assignment. Mandatory content (50%).	A two-year, full-time course for learners who want to progress to employment in a range of business roles. Progress could be either directly to employment in Level 3 roles, or via higher education business courses.

Enterprise and Entrepreneurship

Title	Size and structure	Summary purpose
Pearson BTEC International Level 3 Certificate in Enterprise and Entrepreneurship	180 GLH Equivalent in size to 0.5 of an International A Level. Two units, both of which are mandatory, and one of which is assessed using a Pearson Set Assignment. Mandatory content (100%).	An introduction to the enterprise and entrepreneurship sector through applied learning, that supports progression to higher education. This qualification can form part of a programme of study that includes other vocational or general qualifications.
Pearson BTEC International Level 3 Subsidiary Diploma in Enterprise and Entrepreneurship	360 GLH Equivalent in size to one International A Level. Four units of which two are mandatory and one is assessed using a Pearson Set Assignment. Mandatory content (50%).	A broad basis of study for the enterprise and entrepreneurship sector. Designed to support progression to higher education when taken as part of a programme of study that includes other appropriate BTEC International Level 3 qualifications or International A Levels.
Pearson BTEC International Level 3 Foundation Diploma in Enterprise and Entrepreneurship	510 GLH Equivalent in size to 1.5 International A Levels. Six units of which four are mandatory and two are assessed using a Pearson Set Assignment. Mandatory content (88%).	Designed as a one-year, full-time course, covering the fundamentals of enterprise and entrepreneurship, which supports progression to a work-based learning qualification in the sector, or to a further year of study at Level 3. It supports progression to higher education if taken as part of a programme of study that includes other BTEC International Level 3 qualifications or International A Levels.

Title	Size and structure	Summary purpose
Pearson BTEC International Level 3 Diploma in Enterprise and Entrepreneurship	720 GLH Equivalent in size to two International A Levels. Eight units of which seven are mandatory and three are assessed using a Pearson Set Assignment. Mandatory content (92%).	Designed to be the substantive part of a 16–19 study programme for learners who want a strong core of enterprise and entrepreneurship sector study. Other vocational or academic qualifications or non-qualification elements can complement it to support progression to specific job roles, enterprise and entrepreneurship activities, or to higher education business, enterprise and entrepreneurship courses.
Pearson BTEC International Level 3 Extended Diploma in Enterprise and Entrepreneurship	1080 GLH Equivalent in size to three International A Levels. 13 units of which nine are mandatory and four are assessed using a Pearson Set Assignment. Mandatory content (78%).	A two-year, full-time course for learners who want to engage in new or emerging enterprises, or progress to employment in a range of business, enterprise and entrepreneurship roles. Progress could be either directly to employment in Level 3 roles, or via higher education business, enterprise and entrepreneurship courses.

Structures of the qualifications at a glance (Business)

This table shows all the units and the qualifications for the Pearson BTEC International Level 3 Qualifications in Business to which they contribute. The full structure for this Pearson BTEC International Level 3 in Business is shown in *Section 2 Structure*. **You must refer to the full structure to select units and plan your programme.**

Key

Pearson Set Assignment units are shown in bold | **M** **Mandatory units** | **O** **Optional units**

Unit (number and title)	Unit size (GLH)	Certificate (180 GLH)	Subsidiary Diploma (360 GLH)	Foundation Diploma (510 GLH)	Diploma (720 GLH)	Extended Diploma (1080 GLH)
1 Exploring Business	90	M	M	M	M	M
2 Research and Plan a Marketing Campaign	90	M	M	M	M	M
3 Business Finance	90		O	M	M	M
4 Managing an Event	90		O	O	M	M
5 International Business	60		O	O	O	O
6 Principles of Management	60		O	O	O	M
7 Business Decision Making	120		O	M	M	M
8 Human Resources	60		O	O	O	O
9 Team Building in Business	60		O	O	O	O
10 Recording Financial Transactions	60		O	O	O	O
11 Financial Statements for Public Limited Companies	60		O	O	O	O
12 Financial Statements for Specific Businesses	60		O	O	O	O
13 Cost and Management Accounting	60		O	O	O	O
14 Investigating Customer Service	60		O	O	O	O
15 Investigating Retail Business	60		O	O	O	O
16 Visual Merchandising	60		O	O	O	O
17 Digital Marketing	60		O	O	O	O
18 Creative Promotion	60		O	O	O	O

Unit (number and title)	Unit size (GLH)	Certificate (180 GLH)	Subsidiary Diploma (360 GLH)	Foundation Diploma (510 GLH)	Diploma (720 GLH)	Extended Diploma (1080 GLH)
19 Pitching for a New Business	60		O	O	O	O
20 Business Ethics	60		O	O	O	O
21 Training and Development	60		O	O	O	O
22 Market Research	60		O	O	O	O
23 Work Experience in Business	60		O	O	O	O
24 Branding	60		O	O	O	O
25 Relationship Marketing	60		O	O	O	O
26 Procurement Processes in Business	60		O	O	O	O
27 International Logistics	60		O	O	O	O
28 Sales Techniques and Processes	60		O	O	O	O
29 Health and Safety in the Workplace	60		O	O	O	O
30 Career Planning	60		O	O	O	O
31 Effective Project Management	60		O	O	O	O
32 Business and Environmental Sustainability	60		O	O	O	O
33 Enterprise and Entrepreneurs	90					
34 Launch and Run an Enterprise	90					
35 Survival and Growth	90					
36 Social Enterprise	60					
37 Intrapreneurship and Innovation in an Enterprise	90					
38 Marketing Communications in Business	60					
39 Developing an Enterprise Strategy	120					
UK Specific Units for UK Progression						
40 The English Legal System	60		O	O	O	O
41 UK Employment Law	60		O	O	O	O

Unit (number and title)	Unit size (GLH)	Certificate (180 GLH)	Subsidiary Diploma (360 GLH)	Foundation Diploma (510 GLH)	Diploma (720 GLH)	Extended Diploma (1080 GLH)
42 Aspects of UK Civil Liability Affecting Business	**60**		**O**	**O**	**O**	**O**
43 Aspects of UK Criminal Law Impacting on Business and Individuals	**60**		**O**	**O**	**O**	**O**

Structures of the qualifications at a glance (Enterprise and Entrepreneurship)

This table shows all the units and the qualifications for the Pearson BTEC International Level 3 Qualifications in Enterprise and Entrepreneurship to which they contribute. The full structure for this Pearson BTEC International Level 3 in Enterprise and Entrepreneurship is shown in *Section 2 Structure*. **You must refer to the full structure to select units and plan your programme.**

Key

Pearson Set Assignment units are shown in bold | **M** **Mandatory units** | **O** **Optional units**

Unit (number and title)	Unit size (GLH)	Certificate (180 GLH)	Subsidiary Diploma (360 GLH)	Foundation Diploma (510 GLH)	Diploma (720 GLH)	Extended Diploma (1080 GLH)
1 Exploring Business	**90**					
2 Research and Plan a Marketing Campaign	**90**	**M**	**M**	**M**	**M**	**M**
3 Business Finance	**90**		**O**	**O**	**M**	**M**
4 Managing an Event	**90**					
5 International Business	**60**					
6 Principles of Management	**60**					**M**
7 Business Decision Making	**120**			**M**	**M**	**M**
8 Human Resources	**60**					**O**
9 Team Building in Business	**60**					
10 Recording Financial Transactions	**60**					
11 Financial Statements for Public Limited Companies	**60**					
12 Financial Statements for Specific Businesses	**60**					
13 Cost and Management Accounting	**60**			**O**	**O**	**O**
14 Investigating Customer Service	**60**					
15 Investigating Retail Business	**60**					
16 Visual Merchandising	**60**					
17 Digital Marketing	**60**					
18 Creative Promotion	**60**					

Unit (number and title)	Unit size (GLH)	Certificate (180 GLH)	Subsidiary Diploma (360 GLH)	Foundation Diploma (510 GLH)	Diploma (720 GLH)	Extended Diploma (1080 GLH)
19 Pitching for a New Business	60					
20 Business Ethics	60					
21 Training and Development	60					
22 Market Research	60			O	O	O
23 Work Experience in Business	60					
24 Branding	60			O	O	O
25 Relationship Marketing	60					
26 Procurement Processes in Business	60					
27 International Logistics	60					
28 Sales Techniques and Processes	60			O	O	O
29 Health and Safety in the Workplace	60					
30 Career Planning	60					
31 Effective Project Management	60					
32 Business and Environmental Sustainability	60					
33 Enterprise and Entrepreneurs	90	M	M	M	M	M
34 Launch and Run an Enterprise	90		O	M	M	M
35 Survival and Growth	90				M	M
36 Social Enterprise	60			O	O	O
37 Intrapreneurship and Innovation in an Enterprise	90		O	O	M	M
38 Marketing Communications in Business	60					O
39 Developing an Enterprise Strategy	120					M
UK Specific Units for UK Progression						
40 The English Legal System	60					
41 UK Employment Law	60					

Unit (number and title)	Unit size (GLH)	Certificate (180 GLH)	Subsidiary Diploma (360 GLH)	Foundation Diploma (510 GLH)	Diploma (720 GLH)	Extended Diploma (1080 GLH)
42 Aspects of UK Civil Liability Affecting Business	**60**					
43 Aspects of UK Criminal Law Impacting on Business and Individuals	**60**					

Qualification and unit content

Pearson has developed the content of the new BTEC International Level 3 qualifications in collaboration with employers and representatives from higher education, and relevant professional bodies. In this way, we have ensured that content is up to date and that it includes the knowledge, understanding, skills and personal attributes required in the sector.

The mandatory content ensures that all learners are following a coherent programme of study and that they acquire knowledge, understanding and skills that will be recognised and valued by higher education and employers. Learners are expected to show achievement across mandatory units as detailed in *Section 2 Structure*.

BTEC qualifications encompass applied learning that brings together knowledge and understanding with practical and technical skills. This applied learning is achieved through learners performing vocational tasks that encourage the development of appropriate vocational behaviours and transferable skills. Transferable skills are those such as communication, teamwork and research and analysis, which are valued in both higher education and the workplace. Opportunities to develop these skills are signposted in the units.

Our approach provides rigour and balance, and promotes the ability to apply learning immediately in new contexts.

Centres should ensure that content, for example content that references regulation, legislation, policies and regulatory/standards organisations, is kept up to date. The units include guidance on approaches to breadth and depth of coverage, which can be modified to ensure that content is current and reflects international variations.

Assessment

Assessment is designed to fit the purpose and objective of the qualification. It includes a range of assessment types and styles suited to vocational qualifications in the sector. All assessment is internal but some mandatory units have extra controls on assessment and are assessed using Pearson Set Assignments. Additionally, some units are synoptic.

Pearson Set Assignment (PSA) units

Some units in the qualifications are assessed using a Pearson Set Assignment. Each assessment is set by Pearson and is marked by teachers.

Set assignment units are subject to external standards verification processes common to all BTEC units. By setting an assignment for some units, we can ensure that all learners take the same assessment for a specific unit. Learners are permitted to resit set assignment units during their programme. Please see *Section 6 Internal assessment* for further information.

Set assignments are available from September each year and are valid until the end of August in the following year. For detailed information on the Pearson Set Assignment, please see the table in *Section 2 Structure*. For further information on preparing for assessment, see *Section 5 Assessment structure*.

Internal assessment

All units in the sector are internally assessed and subject to external standards verification. Before you assess you will need to become an approved centre, if you are not one already. You will need to prepare to assess using the guidance in *Section 6 Internal assessment*.

For units where there is no Pearson Set Assignment, you select the most appropriate assessment styles according to the learning set out in the unit. This ensures that learners are assessed using a variety of styles to help them develop a broad range of transferable skills. Learners could be given opportunities to:

- write up the findings of their own research
- use case studies to explore complex or unfamiliar situations
- carry out projects for which they have choice over the direction and outcomes
- demonstrate practical and technical skills using appropriate processes.

For these units, Pearson will provide an Authorised Assignment Brief that you can use. You will make grading decisions based on the requirements and supporting guidance given in the units. Learners may not make repeated submissions of assignment evidence. For further information, please see *Section 6 Internal assessment*.

Language of assessment

Assessment of the units for these qualifications are available in English but can be translated as necessary.

A learner taking the qualification/s may be assessed in sign language where it is permitted for the purpose of reasonable adjustment for learners of determination. For information on reasonable adjustments for learners of determination, see *Section 7 Administrative arrangements*.

Grading for units and qualifications

Achievement of the qualification requires demonstration of depth of study in each unit, assured acquisition of a range of practical skills required for employment or for progression to higher education, and successful development of transferable skills. Learners who achieve a qualification will have achieved across mandatory units, including synoptic assessment where applicable.

Units are assessed using a grading scale of Distinction (D), Merit (M), Pass (P) and Unclassified (U). All mandatory and optional units contribute proportionately to the overall qualification grade, for example a unit of 120 GLH will contribute double that of a 60 GLH unit.

Qualifications in the suite are graded using a scale of P to D*, **or** PP to D*D*, **or** PPP to D*D*D*. Please see *Section 9 Understanding the qualification grade*, for more details. The relationship between qualification grading scales and unit grades will be subject to regular review as part of Pearson's standards monitoring processes, on the basis of learner performance and in consultation with key users of the qualifications.

1 Qualification purpose and progression

Pearson BTEC International Level 3 qualifications in Business, and Pearson BTEC International Level 3 qualifications in Enterprise and Entrepreneurship

Who are these qualifications for?

The Pearson BTEC International Level 3 qualifications in Business, and in Enterprise and Entrepreneurship, are primarily designed for learners in the 16–19 age group, who wish to pursue a career in business, primarily via higher education to access graduate entry employment with businesses, or alternatively through junior business employment.

Which size qualification to choose?

Choosing the most suitable size qualification will depend on the learner's broader programme of study. For example, learners who wish to focus solely on business or on enterprise and entrepreneurship may take the Diploma or Extended Diploma, while learners who select a smaller qualification such as the Certificate or Subsidiary Diploma may choose to combine this with qualifications from other sectors to support their desired progression.

Smaller qualifications will also be suitable for learners who are in employment and studying part-time.

The qualification structures have been designed to enable learners who start with the smallest qualification to top-up to larger qualifications if desired.

What do the qualifications cover?

The qualifications give learners experience of the breadth and depth of the sector that will prepare them for further study or training. This includes the opportunity for learners to choose several topics from a selection of options reflecting the progression pathways in business.

The learning programme covers the following content areas:

- business environments
- marketing
- finance
- international business
- management
- enterprise and entrepreneurship.

The optional units have been designed to support progression to business courses in higher education, and to link with relevant occupational areas. They cover content areas such as:

- human resources
- accounting
- financial services
- marketing
- retail.

What could these qualifications lead to?

The qualifications are recognised by higher education providers as contributing to meeting admission requirements to many relevant courses, for example:

- Higher National Diploma in Business
- BSc (Hons) in Business and Management
- BA (Hons) in Business and Finance
- BA (Hons) in Business with Human Resource Management
- BA (Hons) and BSc (Hons) in Business Studies
- BSc (Hons) in International Management
- BSc (Hons) or BA (Hons) in Marketing
- BSc (Hons) in Retail Management.

Learners should always check the entry requirements for degree programmes with specific higher education providers.

After this qualification, learners can also progress directly into employment, however it is likely that many will do so via higher study. Areas of employment include junior business roles in marketing, administration, finance, financial services, procurement, events management, human resources, and other related areas in the business sector.

How do these qualifications provide transferable employability skills?

In the BTEC International Level 3 units, there are opportunities during the teaching and learning phase to give learners practice in developing employability skills. Where we refer to employability skills in this specification, we are generally referring to skills in the following three main categories:

- **cognitive and problem-solving skills** – using critical thinking, approaching non-routine problems, applying expert and creative solutions, using systems and technology
- **interpersonal skills** – communicating, working collaboratively, negotiating and influencing, self-presentation
- **intrapersonal skills** – self-management, adaptability and resilience, self-monitoring and development.

There are also specific requirements in some units for assessment of these skills where relevant, for example where learners are required to undertake real or simulated activities. These skills are indicated in the units and in *Appendix 2: Transferable employability skills*.

How do the qualifications provide transferable knowledge and skills for higher education?

All BTEC International Level 3 qualifications provide transferable knowledge and skills that prepare learners for progression to university. The transferable skills that universities value include the ability to:

- learn independently
- research actively and methodically
- give presentations and be active group members.

BTEC learners can also benefit from opportunities for deep learning, where they are able to make connections across units and select areas of interest for detailed study. BTEC International Level 3 qualifications provide a vocational context in which learners can develop the knowledge and skills required for particular degree courses, including technical texts:

- effective writing
- analytical skills
- preparation for assessment methods used in a degree.

2 Structure

Qualification structures

The structures for the qualifications in this specification are:

- Pearson BTEC International Level 3 Certificate in Business
- Pearson BTEC International Level 3 Subsidiary Diploma in Business
- Pearson BTEC International Level 3 Foundation Diploma in Business
- Pearson BTEC International Level 3 Diploma in Business
- Pearson BTEC International Level 3 Extended Diploma in Business
- Pearson BTEC International Level 3 Certificate in Enterprise and Entrepreneurship
- Pearson BTEC International Level 3 Subsidiary Diploma in Enterprise and Entrepreneurship
- Pearson BTEC International Level 3 Foundation Diploma in Enterprise and Entrepreneurship
- Pearson BTEC International Level 3 Diploma in Enterprise and Entrepreneurship
- Pearson BTEC International Level 3 Extended Diploma in Enterprise and Entrepreneurship.

Pearson BTEC International Level 3 Certificate in Business

Mandatory units

There are two mandatory units, one internal and one set assignment unit. Learners must complete and achieve a Pass or above in the mandatory units.

Pearson BTEC International Level 3 Certificate in Business				
Unit number	**Unit title**	**GLH**	**Type**	**How assessed**
Mandatory units – learners complete and achieve these units				
1	Exploring Business	**90**	**Mandatory**	Internal
2	Research and Plan a Marketing Campaign	**90**	**Mandatory**	Set assignment

Pearson BTEC International Level 3 Subsidiary Diploma in Business

Mandatory units

There are two mandatory units, one internal and one set assignment unit. Learners must complete and achieve a Pass or above in these mandatory units.

Optional units

Learners must complete additional units totalling at least 180 GLH.

Some combinations of optional units may result in an additional 30 GLH being taken.

Pearson BTEC International Level 3 Subsidiary Diploma in Business				
Unit number	**Unit title**	**GLH**	**Type**	**How assessed**
Mandatory units – learners complete and achieve these units				
1	Exploring Business	**90**	**Mandatory**	Internal
2	Research and Plan a Marketing Campaign	**90**	**Mandatory**	Set assignment
Optional units – learners complete units totalling 180 GLH				
3	Business Finance	**90**	**Optional**	Internal
4	Managing an Event	**90**	**Optional**	Internal
5	International Business	**60**	**Optional**	Internal
6	Principles of Management	**60**	**Optional**	Set assignment
7	Business Decision Making	**120**	**Optional**	Set assignment
8	Human Resources	**60**	**Optional**	Internal
9	Team Building in Business	**60**	**Optional**	Internal
10	Recording Financial Transactions	**60**	**Optional**	Internal
11	Financial Statements for Public Limited Companies	**60**	**Optional**	Internal
12	Financial Statements for Specific Businesses	**60**	**Optional**	Internal
13	Cost and Management Accounting	**60**	**Optional**	Internal
14	Investigating Customer Service	**60**	**Optional**	Internal
15	Investigating Retail Business	**60**	**Optional**	Internal
16	Visual Merchandising	**60**	**Optional**	Internal
17	Digital Marketing	**60**	**Optional**	Internal
18	Creative Promotion	**60**	**Optional**	Internal
19	Pitching for a New Business	**60**	**Optional**	Internal
20	Business Ethics	**60**	**Optional**	Internal

Optional units – learners complete units totalling 180 GLH (continued)				
21	Training and Development	**60**	**Optional**	Internal
22	Market Research	**60**	**Optional**	Internal
23	Work Experience in Business	**60**	**Optional**	Internal
24	Branding	**60**	**Optional**	Internal
25	Relationship Marketing	**60**	**Optional**	Internal
26	Procurement Processes in Business	**60**	**Optional**	Internal
27	International Logistics	**60**	**Optional**	Internal
28	Sales Techniques and Processes	**60**	**Optional**	Internal
29	Health and Safety in the Workplace	**60**	**Optional**	Internal
30	Career Planning	**60**	**Optional**	Internal
31	Effective Project Management	**60**	**Optional**	Internal
32	Business and Environmental Sustainability	**60**	**Optional**	Internal
UK specific units for UK progression				
40	The English Legal System	**60**	**Optional**	Internal
41	UK Employment Law	**60**	**Optional**	Internal
42	Aspects of UK Civil Liability Affecting Business	**60**	**Optional**	Internal
43	Aspects of UK Criminal Law Impacting on Business and Individuals	**60**	**Optional**	Internal

Pearson BTEC International Level 3 Foundation Diploma in Business

Mandatory units

There are four mandatory units, two internal units and two set assignment units. Learners must complete and achieve a Pass or above in all mandatory units.

Optional units

Learners must complete optional units totalling at least 120 GLH.

Some combinations of optional units may result in an additional 30 GLH being taken.

Pearson BTEC International Level 3 Foundation Diploma in Business				
Unit number	**Unit title**	**GLH**	**Type**	**How assessed**
Mandatory units – learners complete and achieve all units				
1	Exploring Business	**90**	**Mandatory**	Internal
2	Research and Plan a Marketing Campaign	**90**	**Mandatory**	Set assignment
3	Business Finance	**90**	**Mandatory**	Internal
7	Business Decision Making	**120**	**Mandatory**	Set assignment
Optional units – learners complete units totalling at least 120 GLH				
4	Managing an Event	**90**	**Optional**	Internal
5	International Business	**60**	**Optional**	Internal
6	Principles of Management	**60**	**Optional**	Set assignment
8	Human Resources	**60**	**Optional**	Internal
9	Team Building in Business	**60**	**Optional**	Internal
10	Recording Financial Transactions	**60**	**Optional**	Internal
11	Financial Statements for Public Limited Companies	**60**	**Optional**	Internal
12	Financial Statements for Specific Businesses	**60**	**Optional**	Internal
13	Cost and Management Accounting	**60**	**Optional**	Internal
14	Investigating Customer Service	**60**	**Optional**	Internal
15	Investigating Retail Business	**60**	**Optional**	Internal
16	Visual Merchandising	**60**	**Optional**	Internal
17	Digital Marketing	**60**	**Optional**	Internal
18	Creative Promotion	**60**	**Optional**	Internal
19	Pitching for a New Business	**60**	**Optional**	Internal

Optional units – learners complete units totalling at least 120 GLH (continued)				
20	Business Ethics	**60**	**Optional**	Internal
21	Training and Development	**60**	**Optional**	Internal
22	Market Research	**60**	**Optional**	Internal
23	Work Experience in Business	**60**	**Optional**	Internal
24	Branding	**60**	**Optional**	Internal
25	Relationship Marketing	**60**	**Optional**	Internal
26	Procurement Processes in Business	**60**	**Optional**	Internal
27	International Logistics	**60**	**Optional**	Internal
28	Sales Techniques and Processes	**60**	**Optional**	Internal
29	Health and Safety in the Workplace	**60**	**Optional**	Internal
30	Career Planning	**60**	**Optional**	Internal
31	Effective Project Management	**60**	**Optional**	Internal
32	Business and Environmental Sustainability	**60**	**Optional**	Internal
UK specific units for UK progression				
40	The English Legal System	**60**	**Optional**	Internal
41	UK Employment Law	**60**	**Optional**	Internal
42	Aspects of UK Civil Liability Affecting Business	**60**	**Optional**	Internal
43	Aspects of UK Criminal Law Impacting on Business and Individuals	**60**	**Optional**	Internal

Pearson BTEC International Level 3 Diploma in Business

Mandatory units

There are five mandatory units, three internal units and two set assignment units. Learners must complete and achieve a Pass or above in all mandatory units.

Optional units

Learners must complete optional units totalling at least 240 GLH.

Pearson BTEC International Level 3 Diploma in Business				
Unit number	**Unit title**	**GLH**	**Type**	**How assessed**
Mandatory units – learners complete and achieve all units				
1	Exploring Business	**90**	**Mandatory**	Internal
2	Research and Plan a Marketing Campaign	**90**	**Mandatory**	Set assignment
3	Business Finance	**90**	**Mandatory**	Internal
4	Managing an Event	**90**	**Mandatory**	Internal
7	Business Decision Making	**120**	**Mandatory**	Set assignment
Optional units – learners complete units totalling at least 240 GLH				
5	International Business	**60**	**Optional**	Internal
6	Principles of Management	**60**	**Optional**	Set assignment
8	Human Resources	**60**	**Optional**	Internal
9	Team Building in Business	**60**	**Optional**	Internal
10	Recording Financial Transactions	**60**	**Optional**	Internal
11	Financial Statements for Public Limited Companies	**60**	**Optional**	Internal
12	Financial Statements for Specific Businesses	**60**	**Optional**	Internal
13	Cost and Management Accounting	**60**	**Optional**	Internal
14	Investigating Customer Service	**60**	**Optional**	Internal
15	Investigating Retail Business	**60**	**Optional**	Internal
16	Visual Merchandising	**60**	**Optional**	Internal
17	Digital Marketing	**60**	**Optional**	Internal
18	Creative Promotion	**60**	**Optional**	Internal
19	Pitching for a New Business	**60**	**Optional**	Internal
20	Business Ethics	**60**	**Optional**	Internal

Optional units – learners complete units totalling at least 240 GLH (continued)				
21	Training and Development	**60**	**Optional**	Internal
22	Market Research	**60**	**Optional**	Internal
23	Work Experience in Business	**60**	**Optional**	Internal
24	Branding	**60**	**Optional**	Internal
25	Relationship Marketing	**60**	**Optional**	Internal
26	Procurement Processes in Business	**60**	**Optional**	Internal
27	International Logistics	**60**	**Optional**	Internal
28	Sales Techniques and Processes	**60**	**Optional**	Internal
29	Health and Safety in the Workplace	**60**	**Optional**	Internal
30	Career Planning	**60**	**Optional**	Internal
31	Effective Project Management	**60**	**Optional**	Internal
32	Business and Environmental Sustainability	**60**	**Optional**	Internal
UK specific units for UK progression				
40	The English Legal System	**60**	**Optional**	Internal
41	UK Employment Law	**60**	**Optional**	Internal
42	Aspects of UK Civil Liability Affecting Business	**60**	**Optional**	Internal
43	Aspects of UK Criminal Law Impacting on Business and Individuals	**60**	**Optional**	Internal

Pearson BTEC International Level 3 Extended Diploma in Business

Mandatory units

There are six mandatory units, three internal units and three set assignment units. Learners must complete and achieve a Pass or above in all mandatory units.

Optional units

Learners must complete at least nine optional units totalling at least 540 GLH.

Pearson BTEC International Level 3 Extended Diploma in Business				
Unit number	**Unit title**	**GLH**	**Type**	**How assessed**
Mandatory units – learners complete and achieve all units				
1	Exploring Business	**90**	**Mandatory**	Internal
2	Research and Plan a Marketing Campaign	**90**	**Mandatory**	Set assignment
3	Business Finance	**90**	**Mandatory**	Internal
4	Managing an Event	**90**	**Mandatory**	Internal
6	Principles of Management	**60**	**Mandatory**	Set assignment
7	Business Decision Making	**120**	**Mandatory and synoptic**	Set assignment
Optional units – learners complete units totalling at least 540 GLH				
5	International Business	**60**	**Optional**	Internal
8	Human Resources	**60**	**Optional**	Internal
9	Team Building in Business	**60**	**Optional**	Internal
10	Recording Financial Transactions	**60**	**Optional**	Internal
11	Financial Statements for Public Limited Companies	**60**	**Optional**	Internal
12	Financial Statements for Specific Businesses	**60**	**Optional**	Internal
13	Cost and Management Accounting	**60**	**Optional**	Internal
14	Investigating Customer Service	**60**	**Optional**	Internal
15	Investigating Retail Business	**60**	**Optional**	Internal
16	Visual Merchandising	**60**	**Optional**	Internal
17	Digital Marketing	**60**	**Optional**	Internal
18	Creative Promotion	**60**	**Optional**	Internal
19	Pitching for a New Business	**60**	**Optional**	Internal
20	Business Ethics	**60**	**Optional**	Internal

Optional units – learners complete units totalling at least 540 GLH (continued)				
21	Training and Development	**60**	**Optional**	Internal
22	Market Research	**60**	**Optional**	Internal
23	Work Experience in Business	**60**	**Optional**	Internal
24	Branding	**60**	**Optional**	Internal
25	Relationship Marketing	**60**	**Optional**	Internal
26	Procurement Processes in Business	**60**	**Optional**	Internal
27	International Logistics	**60**	**Optional**	Internal
28	Sales Techniques and Processes	**60**	**Optional**	Internal
29	Health and Safety in the Workplace	**60**	**Optional**	Internal
30	Career Planning	**60**	**Optional**	Internal
31	Effective Project Management	**60**	**Optional**	Internal
32	Business and Environmental Sustainability	**60**	**Optional**	Internal
UK specific units for UK progression				
40	The English Legal System	**60**	**Optional**	Internal
41	UK Employment Law	**60**	**Optional**	Internal
42	Aspects of UK Civil Liability Affecting Business	**60**	**Optional**	Internal
43	Aspects of UK Criminal Law Impacting on Business and Individuals	**60**	**Optional**	Internal

Pearson BTEC International Level Certificate in Enterprise and Entrepreneurship

Mandatory units

There are two mandatory units, one internal unit and one set assignment unit. Learners must complete and achieve a Pass or above in the mandatory units.

Pearson BTEC International Level 3 Certificate in Enterprise and Entrepreneurship				
Unit number	**Unit title**	**GLH**	**Type**	**How assessed**
Mandatory units – learners complete and achieve this unit				
2	Research and Plan a Marketing Campaign	**90**	**Mandatory**	Set assignment
33	Enterprise and Entrepreneurs	**90**	**Mandatory**	Internal

Pearson BTEC International Level 3 Subsidiary Diploma in Enterprise and Entrepreneurship

Mandatory units

There are two mandatory units, one internal unit and one set assignment unit. Learners must complete and achieve a Pass or above in all mandatory units.

Optional units

Learners must complete at least two optional units.

Pearson BTEC International Level 3 Subsidiary Diploma in Enterprise and Entrepreneurship				
Unit number	**Unit title**	**GLH**	**Type**	**How assessed**
Mandatory units – learners complete and achieve all units				
2	Research and Plan a Marketing Campaign	**90**	**Mandatory**	Set assignment
33	Enterprise and Entrepreneurs	**90**	**Mandatory**	Internal
Optional units – learners must complete at least two units				
3	Business Finance	**90**	**Optional**	Internal
34	Launch and Run an Enterprise	**90**	**Optional**	Internal
37	Intrapreneurship and Innovation in an Enterprise	**90**	**Optional**	Internal

Pearson BTEC International Level 3 Foundation Diploma in Enterprise and Entrepreneurship

Mandatory units

There are four mandatory units, two internal units and two set assignment units. Learners must complete and achieve a Pass or above in all mandatory units.

Optional units

Learners must complete optional units totalling at least 120 GLH..

Pearson BTEC International Level 3 Foundation Diploma in Enterprise and Entrepreneurship				
Unit number	**Unit title**	**GLH**	**Type**	**How assessed**
Mandatory units – learners complete and achieve all units				
2	Research and Plan a Marketing Campaign	**90**	**Mandatory**	Set assignment
7	Business Decision Making	**120**	**Mandatory**	Set assignment
33	Enterprise and Entrepreneurs	**90**	**Mandatory**	Internal
34	Launch and Run an Enterprise	**90**	**Mandatory**	Internal
Optional units – learners complete units totalling at least 120 GLH				
3	Business Finance	**90**	**Optional**	Internal
13	Cost and Management Accounting	**60**	**Optional**	Internal
22	Market Research	**60**	**Optional**	Internal
24	Branding	**60**	**Optional**	Internal
28	Sales Techniques and Processes	**60**	**Optional**	Internal
36	Social Enterprise	**60**	**Optional**	Internal
37	Intrapreneurship and Innovation in an Enterprise	**90**	**Optional**	Internal

Pearson BTEC International Level 3 Diploma in Enterprise and Entrepreneurship

Mandatory units

There are seven mandatory units, five internal units and two set assignment units. Learners must complete and achieve a Pass or above in all mandatory units.

Optional units

Learners must complete at least one optional unit.

Pearson BTEC International Level 3 Diploma in Enterprise and Entrepreneurship				
Unit number	**Unit title**	**GLH**	**Type**	**How assessed**
Mandatory units – learners complete and achieve all units				
2	Research and Plan a Marketing Campaign	**90**	**Mandatory**	Set assignment
3	Business Finance	**90**	**Mandatory**	Internal
7	Business Decision Making	**120**	**Mandatory**	Set assignment
33	Enterprise and Entrepreneurs	**90**	**Mandatory**	Internal
34	Launch and Run an Enterprise	**90**	**Mandatory**	Internal
35	Survival and Growth	**90**	**Mandatory**	Internal
37	Intrapreneurship and Innovation in an Enterprise	**90**	**Mandatory**	Internal
Optional units – learners complete one unit				
13	Cost and Management Accounting	**60**	**Optional**	Internal
22	Market Research	**60**	**Optional**	Internal
24	Branding	**60**	**Optional**	Internal
28	Sales Techniques and Processes	**60**	**Optional**	Internal
36	Social Enterprise	**60**	**Optional**	Internal

Pearson BTEC International Level 3 Extended Diploma in Enterprise and Entrepreneurship

Mandatory units

There are nine mandatory units, six internal units and three set assignment units. Learners must complete and achieve a Pass or above in all mandatory units.

Optional units

Learners must complete at least four optional units.

Pearson BTEC International Level 3 Extended Diploma in Enterprise and Entrepreneurship				
Unit number	**Unit title**	**GLH**	**Type**	**How assessed**
Mandatory units – learners complete and achieve all units				
2	Research and Plan a Marketing Campaign	**90**	**Mandatory**	Set assignment
3	Business Finance	**90**	**Mandatory**	Internal
6	Principles of Management	**60**	**Mandatory**	Set assignment
7	Business Decision Making	**120**	**Mandatory**	Set assignment
33	Enterprise and Entrepreneurs	**90**	**Mandatory**	Internal
34	Launch and Run an Enterprise	**90**	**Mandatory**	Internal
35	Survival and Growth	**90**	**Mandatory**	Internal
37	Intrapreneurship and Innovation in an Enterprise	**90**	**Mandatory**	Internal
39	Developing an Enterprise Strategy	**120**	**Mandatory and synoptic**	Internal
Optional units – learners complete four units				
8	Human Resources	**60**	**Optional**	Internal
13	Cost and Management Accounting	**60**	**Optional**	Internal
22	Market Research	**60**	**Optional**	Internal
24	Branding	**60**	**Optional**	Internal
28	Sales Techniques and Processes	**60**	**Optional**	Internal
36	Social Enterprise	**60**	**Optional**	Internal
38	Marketing Communications in Business	**60**	**Optional**	Internal

Pearson Set Assignment units

This is a summary of the type and availability of Pearson Set Assignment units. For more information, see *Section 5 Assessment structure*, and the units and sample assessment materials.

Unit	Type	Availability
Unit 2: Research and Plan a Marketing Campaign	· An assignment set by Pearson and marked by the centre. · The advised period is 20 hours. 2 part PSA. · Completed using a computer.	**Two available for each series.**
Unit 6: Principles of Management	· An assignment set by Pearson and marked by the centre. · The advised period is 10 hours. · Completed using a computer.	**Two available for each series.**
Unit 7: Business Decision Making	· An assignment set by Pearson and marked by the centre. · The advised period is 5 hours. · Completed using a computer.	**Two available for each series.**

Employer involvement in assessment and delivery

You are encouraged to give learners opportunities to be involved with employers. For more information, please see *Section 4 Planning your programme*.

3 Units

Understanding your units

The units in this specification set out our expectations of assessment in a way that helps you to prepare your learners for assessment. The units help you to undertake assessment and quality assurance effectively.

Each unit in the specification is set out in a similar way. This section explains how the units work. It is important that all teachers, assessors, internal verifiers and other staff responsible for the programme review this section.

Section	Explanation
Unit number	The number is in a sequence in the sector. Numbers may not be sequential for an individual qualification.
Unit title	This is the formal title that we always use, it appears on certificates.
Level	All units are at Level 3.
Unit type	This shows if the unit is internal or assessed using a Pearson Set Assignment. See structure information in *Section 2 Structure* for details.
Guided Learning Hours (GLH)	Units may have a GLH value of 120, 90 or 60. This indicates the numbers of hours of teaching, directed activity and assessment expected. It also shows the weighting of the unit in the final qualification grade.
Unit in brief	This is a brief formal statement on the content of the unit that is helpful in understanding its role in the qualification. You can use this in summary documents, brochures, etc.
Unit introduction	This is written with learners in mind. It indicates why the unit is important, how learning is structured and how it might be applied when they progress to employment or higher education.
Assessment	For internal set assignment units, this section states whether Pearson Set Assignments are required to be completed.
Learning aims	These help to define the scope, style and depth of learning of the unit. You can see where learners should be learning standard requirements ('understand') or where they should be actively researching ('investigate'). You can find out more about the verbs we use in learning aims in *Appendix 3: Glossary of terms used*.
Summary of unit	This section helps teachers to see at a glance the main content areas given against the learning aims and the structure of the assessment. The content areas and structure of assessment must be covered. The forms of evidence given are suitable to fulfil the requirement.

Section	Explanation
Content	This section sets out the required teaching content of the unit. Content is compulsory except when shown as 'e.g.'. Learners should be asked to complete summative assessment only after the teaching content for the unit or learning aim(s) has been covered.
Assessment criteria	Each learning aim has Pass and Merit criteria. Each assignment has at least one Distinction criterion. A full glossary of terms used is given in *Appendix 3: Glossary of terms used.* All assessors need to understand our expectations of the terms used. Distinction criteria represent outstanding performance in the unit. Some criteria require learners to draw together learning from across the learning aims.
Essential information for assignments	This shows the maximum number of assignments that may be used for the unit to allow for effective summative assessment and how the assessment criteria should be used to assess performance. For Pearson Set Assignment units, this section will include any conditions for taking the assignment.
Further information for teachers and assessors	This section gives you information to support the implementation of assessment. It is important that this is read carefully alongside the assessment criteria, as the information will help with interpretation of the requirements.
Resource requirements	Any specific resources that you need to be able to teach and assess are listed in this section. For information on support resources, see *Section 10 Resources and support*.
Essential information for assessment decisions	This section gives guidance on and examples for each learning aim or assignment of the expectations for Pass, Merit and Distinction standard.
Assessment controls	This section gives details of the rules that learners need to abide by when taking the assessment.
Links to other units	This section shows you the main relationships between different units. This helps you to structure your programme and make best use of available materials and resources.
Employer involvement	This section gives you information on the units, which can be used to involve learners with employers. This will help you to identify the kind of involvement that is likely to be most successful.
Opportunities to develop transferable employability skills	This section gives you guidance on how transferable employability skills might be developed in teaching and assessment of the unit.

Index of units

This section contains all the units developed for these qualifications. Please refer to *pages 5–10* to check which units are available in all qualifications in the business, and enterprise and entrepreneurship sectors.

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Unit 1: Exploring Business

Level: **3**
Unit type: **Internal**
Guided learning hours: **90**

Unit in brief

Learners study the purposes, features, structures and operating environments of business organisations, and examine the link between innovation and business survival.

Unit introduction

A business organisation is one that provides goods or services, whether that is to make a profit or not. The common thread in business is that owners and employees are striving to satisfy customers. In today's world of international business, customers are well-informed and have many options in terms of what they buy and who they buy from, so a successful business is one that balances satisfying their customers with selling products or providing services.

In this unit, you will gain an overview of the key ingredients for business success, how businesses are organised, how they communicate, the characteristics of the environment in which they operate, and how this shapes them and their activities. You will also look at the importance of innovation and enterprise to the success and survival of business organisations, with the associated risks and benefits.

By developing relevant business knowledge and understanding, this unit will help you to progress to employment, vocational training and higher apprenticeships, or higher education.

Learning aims

In this unit you will:

A Explore the features of different business organisations and what makes them successful

B Investigate how businesses are organised

C Examine the environment in which business organisations operate.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Explore the features of different business organisations and what makes them successful	**A1** Features of business organisations **A2** Stakeholders and their influence	A report that examines the features of two contrasting business organisations, looking at how each is organised, how their structures enable achievement of their aims and objectives and the relationship and communication with stakeholders.
B Investigate how businesses are organised	**B1** Structure and organisation **B2** Aims and objectives	
C Examine the environment in which business organisations operate	**C1** External environment **C2** Internal environment **C3** Competitive environment **C4** Benefits and risks associated with innovation **C5** Situational analysis	A report that examines the effects of the internal and external environment on a large business organisation and how the business has, and will, respond to changes.

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Content

Learning aim A: Explore the features of different business organisations and what makes them successful

A1 Features of business organisations

- Ownership and liability:
  - private, e.g. sole trader, partnership, private limited company, public limited company, cooperative, limited and unlimited liability
  - public, e.g. government department
  - not-for-profit, e.g. charitable trust, voluntary.
- Purposes, e.g. supply of products or services, difference between for-profit and not-for-profit business organisations. Sectors: primary, secondary, tertiary, quaternary.
- Scope of business activities: local, national, international.
- Size: micro – up to nine staff, Small and Medium Enterprises (SMEs): small – between 10 and 49 staff, medium – between 50 and 249 staff; large: more than 250 staff.
- Reasons for success: how these differ depending on the type of business (profit or non-profit), and its aims and objectives, e.g. clarity of vision, innovative products or processes.

A2 Stakeholders and their influence

- Stakeholders:
  - internal, e.g. managers, employees, owners
  - external, e.g. suppliers, lenders, competitors, trade receivables, trade payables, customers, government agencies and departments (local, national, international), communities (local, national, international), pressure groups, interest groups.
- The influence of stakeholders on business success, e.g. shareholder value; customers as long-term assets (strong customer service enables customer loyalty and retention); employee involvement, corporate social responsibility (community groups and interest groups).
- Methods of communicating with stakeholders e.g. written (reports, newsletters, email, letters, leaflets), verbal (meetings, committees); the role of technology including social media.

Learning aim B: Investigate how businesses are organised

B1 Structure and organisation

- Organisational structure, e.g. hierarchical, flat, matrix, holacratic.
- Functional/operational areas, e.g. human resources, research and development, sales, marketing, purchasing, production and quality, finance, customer service, IT, administration.

B2 Aims and objectives

- Aims of businesses in different sectors – mission, vision and values:
  - private, e.g. making profits, profit maximisation, break-even, survival, growth, market leadership
  - public, e.g. service provision, cost control, value for money, service quality, meeting government standards
  - not-for-profit, e.g. education, housing, alleviating poverty, healthcare.
- SMART (Specific, Measurable, Achievable, Relevant, Time-bound) objectives.

Learning aim C: Examine the environment in which business organisations operate

C1 External environment

- Political, e.g. government support, membership of trading communities such as the European Union.
- Economic, fiscal, monetary and other government policies, e.g. supply side policy, economic growth, exchange rates.
- Social attitudes to saving, spending and debt; social responsibility requirements; change, e.g. to demographic trends, consumers' tastes/preferences.
- Technological change, e.g. automation, improved communications.
- Environmental factors and ethical trends, e.g. carbon emissions, waste, recycling, sustainability.
- Legal environment, e.g. partnership legislation, companies acts, charities legislation, competition legislation, financial services regulation, industry regulators, government departments.

  (Statutes and regulations current at the time of teaching should be used. Outline understanding only is expected.)

C2 Internal environment

- Corporate culture.
- Corporate social responsibility (CSR), business ethics.

C3 Competitive environment

- Competition (local, national and international).
- Factors influencing competitive advantage, e.g. differentiation, pricing policies, market leadership, reputation, market share, cost control, technology relationships with customers, suppliers, employees.
- Benefits and importance of establishing and maintaining a competitive advantage.

C4 Benefits and risks associated with innovation

- Benefits: improvements to products, processes, services and customer experience, business growth, development of new and niche markets, offering unique selling points, improved recognition and reputation, smarter working.
- Risks: failing to meet operational and commercial requirements, failing to achieve a return on investment, cultural problems (resistance to change, unsupportive systems and processes, insufficient support from leadership and management).

C5 Situational analysis

- Assessment of the business environment using various techniques, e.g. PESTLE (Political, Economic, Social, Technological, Legal, Environmental) analysis, SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis, 5Cs (Company, Competitors, Customers, Collaborators, Climate) analysis, Porter's Five Forces.
- Impact on pricing and output decisions in different market structures.
- Reponses by business to pricing and output decisions of competitors in different market structures.

Assessment criteria

<table>
<tr><th>Pass</th><th>Merit</th><th>Distinction</th></tr>
<tr><td colspan="2">Learning aim A: Explore the features of different business organisations and what makes them successful</td><td rowspan="4">AB.D1 Evaluate the reasons for the success of two contrasting business organisations, reflecting on evidence gathered.</td></tr>
<tr><td>A.P1 Explain the features of two contrasting business organisations.
A.P2 Explain how two contrasting business organisations are influenced by stakeholders.</td><td>A.M1 Assess the relationship and communication with stakeholders of two contrasting business organisations using independent research.</td></tr>
<tr><td colspan="2">Learning aim B: Investigate how businesses are organised</td></tr>
<tr><td>B.P3 Explore the organisation structures, aims and objectives of two contrasting business organisations.</td><td>B.M2 Analyse how the structures of two contrasting business organisations allow each to achieve its aims and objectives.</td></tr>
<tr><td colspan="2">Learning aim C: Examine the environment in which business organisations operate</td><td rowspan="2">C.D2 Evaluate the extent to which the business environment affects a given business, using a variety of situational analysis techniques.</td></tr>
<tr><td>C.P4 Discuss the internal, external and competitive environment on a given business.
C.P5 Select a variety of techniques to undertake a situational analysis of a given business.</td><td>C.M3 Assess the effects of the business environment on a given business.</td></tr>
</table>

Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of three summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, A.M1, B.M2, AB.D1)

Learning aims: C (C.P4, C.P5, C.M3, C.D2)

Further information for teachers and assessors

Resource requirements

For this unit learners must have access to information on a range of business organisations, including local, national and international.

Essential information for assessment decisions

Learners must individually select and research their choice of business organisations. The business organisations selected by the learner in Learning aims A and B should be contrasting in terms of their features, e.g. ownership and liability, purpose, sector, scope and/or size.

Learners must show individuality of thought, independent collection, collation and judgement of evidence.

It is recommended the learner's own centre is not used for this unit.

Learning aims A and B

For Distinction standard, learners' evaluations will be well-supported by relevant evidence of how differing features, and the complex relationship and communications with its internal and external stakeholders, make business organisations successful. Their evaluations will be thorough and well-reasoned.

For Merit standard, learners will present a careful consideration of each of the business organisations' relationship and communication with its stakeholders, and arrive at conclusions about how well each business communication impacts on its relationship with stakeholders. Learners will give a breakdown of the organisational structure including the different functional areas within the structure, what each does and how the areas interrelate or work together to contribute to each business's aims and objectives.

For Pass standard, learners will carry out research that allows them to clearly link familiar and obvious features of the business organisations and the stakeholder influence to success factors.

Learning aim C

For Distinction standard, learners will carry out in-depth research on the extent to which the business environment affects a given business, and how it could affect the business in the future. Learners will be able to utilise a variety of situational analysis techniques to support their evaluation.

For Merit standard, learners will select and apply relevant knowledge of the effects of the business environment on a given business and how it has responded to changes in the market.

For Pass standard, learners will carry out research that allows them to discuss the effect of the internal, external and competitive environment on a given business. Learners will show an understanding of situational analysis techniques that can be used to analyse the business environment.

Links to other units

This unit is an introductory unit. It is fundamental to, and supports, all other units in the programme.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- participation in audience assessment of presentations
- design/ideas to contribute to unit assignment/case study/project materials
- work experience
- business materials as exemplars
- support from local business staff as mentors.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop research and presentation skills.

Unit 2: Research and Plan a Marketing Campaign

Level: **3**
Unit type: **Internal set assignment**
Guided learning hours: **90**

Unit in brief

Learners develop an understanding of how marketing research is conducted in order to plan a marketing campaign.

Unit introduction

A business organisation may have an outstanding existing or planned product or service to offer prospective customers, but if those customers do not know about it, they cannot buy it. So a business organisation must make sure it understands the needs of its prospective customers and then enable them to find out about the product or service and how it will benefit them. A careful marketing campaign will help the organisation to achieve this.

In this unit, you will learn how a marketing campaign is planned and developed. You will explore a range of different objectives that can be included in a marketing campaign such as increasing sales or market share, or establishing a brand image, and explore the various stages of the process an organisation goes through when developing its campaign. Using your understanding of these factors, and of marketing models and tools, you will develop your own costed marketing campaign for a given product.
You will examine the marketing aims and objectives for existing products and use your own independent market research data to make recommendations about the type of marketing campaign a business organisation should undertake. To complete the assessment task within this unit, you will need to draw on your learning from across your programme.

This unit will give you an insight into how important marketing is to business. It will enable you to make an informed choice as to whether you want to specialise in marketing in employment, training or higher education.

Assessment availability

This unit has a Pearson Set Assignment. Learners must complete a Pearson Set Assignment Brief.

Learning aims

In this unit you will:

A Explore how different markets are researched using different models and tools

B Explore approaches to product marketing nationally and internationally

C Develop a plan for a marketing campaign for a new product.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Explore how different markets are researched using different models and tools	**A1** The role of marketing **A2** Market research methods **A3** Business models used in marketing	This unit is assessed through a Pearson Set Assignment.
B Explore approaches to product marketing nationally and internationally	**B1** Research the characteristics of a market **B2** Research marketing campaigns **B3** Research the application of the promotional mix	
C Develop a plan for a marketing campaign for a new product	**C1** Marketing aims and objectives **C2** Developing the rationale **C3** The application of the marketing mix **C4** The marketing campaign **C5** Appropriateness of a marketing campaign **C6** Formal business reports	

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Content

Learning aim A: Explore how different markets are researched using different models and tools

A1 The role of marketing

- Principles and purposes of marketing as a means of anticipating, stimulating or satisfying demand.
- Principles of marketing applied to a business organisation's marketing aims and objectives, distinguishing between financial, e.g. increasing sales, and non-financial objectives, e.g. brand awareness, and their interrelationship.
- Different approaches to marketing in relation to the size of the business organisation, budgetary constraints, new product development, product innovation and the characteristics of market conditions, size and structure, e.g. mass and niche markets.
- The features of customer relationship management (CRM), e.g. contact management, sales analytics, email client integration, territory management, coordination of the salesforce.
- The relationship between business strategy, marketing aims and objectives and customer loyalty and retention.

A2 Market research methods

Features, advantages and disadvantages of the main methods used to undertake market research.

- Features of a research plan including:
  - timescales
  - identification of the subject matter
  - specific area of research to be covered
  - selection and recording of evidence
  - drawing conclusions based on research evidence.
- Research characteristics of market segmentation differentiated by:
  - demographics – age, race, religion, gender, family size, ethnicity, income, education level, socio-economic group
  - geographic – location
  - psychographic – social class, attitudes, lifestyle and personality characteristics
  - behavioural – spending, consumption, usage, loyalty status and desired benefits.
- Types of secondary research distinguished between internal and external sources:
  - internal to include business data on customers, e.g. average spend and financial records to include loyalty cards and sales records
  - external to include commercially published reports, government statistics, trade journals, media sources.
- Criteria used to assess the robustness of research findings, including relevance, timeliness, validity, reliability, appropriateness, sufficiency, currency; apply these criteria to the outcome of research using the internet.
- Difference between quantitative and qualitative data, and their application when drawing conclusions and making recommendations.

A3 Business models used in marketing

The contribution of marketing models and tools to the development of a marketing campaign.

- Internal factors that influence the features of a marketing campaign, including:
  - size of the marketing budget and the availability of finance
  - size, culture, ethics and values of the business organisation
  - relative cost of different marketing techniques, e.g. media and technology, and availability of specialist marketing staff.
- External factors that influence the features of a marketing campaign using the STEEPLE model (Social, Technological, Economic, Environmental, Political, Legal, Ethical).
- Role and features of competitor analysis and the implications for a business.
- Determination of competitive forces in a market using Porter's Five Forces Analysis and the implications for a business.
- Influence on a marketing campaign of the position of a product in the product life cycle (introduction, growth, development and decline).
- Application in a marketing campaign of the marketing mix (the 4Ps: product, price, place, promotion) and the extended marketing mix (the 7Ps: people, process and physical environment).
- Components of the promotional mix (advertising, public relations or publicity sales promotion, direct marketing and personal selling) and their application in a marketing campaign.
- Product positioning: its purpose and contribution to the development of a marketing campaign aimed at specific target groups.

Learning aim B: Explore approaches to product marketing nationally and internationally

B1 Research the characteristics of a market

The application of appropriate research methods and techniques to research the characteristics of a specific market for a product or service.

- Characteristics of specific market sectors to include:
  - target markets and segments
  - market size, structure and trends and main competitive forces in the market, using appropriate business models supported by quantitative and qualitative research.

B2 Research marketing campaigns

- The application of appropriate research methods and techniques to research the features of a marketing campaign, including:
  - aims and objectives of the marketing campaign
  - SMART (Specific, Measurable, Achievable, Relevant and Time-bound) targets and objectives in a marketing campaign
  - marketing mix and the extended marketing mix in a marketing campaign, including the marketing message, pricing strategies, the unique selling point (USP), the role of social media in promoting customer engagement
  - adaptation of the marketing mix and budgetary considerations in the light of changing circumstances over the lifetime of a marketing campaign
  - methods used to assess the effectiveness of a marketing campaign, including outcomes mapped against objectives, quantitative and qualitative measures; internet metrics.

B3 Research the application of the promotional mix

- Application of appropriate research methods and techniques to research ways in which a business promotes its products or services in its target market in relation to:
  - advertising
  - public relations or publicity
  - sales promotion
  - direct marketing
  - personal selling.
- The role of the internet in promoting products and services and enhancing the brand, including the influence and importance of social media.

Learning aim C: Develop a plan for a marketing campaign for a new product

C1 Marketing aims and objectives

- Selection of appropriate marketing aims and objectives to suit business goals in a range of different contexts, including new product, improved product, branding, diversification.
- Application of research data to conduct a situational analysis: SWOT (Strengths, Weaknesses, Opportunities, Threats) and STEEPLE (Social, Technological, Economic, Environmental, Political, Legal, Ethical).
- Application of research data to determine a target market, conduct a competitor analysis and apply Porter's Five Forces Analysis.

C2 Developing the rationale

- Interpretation, analysis and use of data and other information to make valid marketing decisions.
- Additional sources of information that may be required in different business contexts.
- Methods to assess the reliability and validity of research findings, including data and information used in the formulation of the rationale of a marketing campaign.

C3 The application of the marketing mix

- Application of the components of the marketing mix in the formulation of a marketing campaign:
  - product development, e.g. form and function, packaging, branding
  - pricing strategies, e.g. penetration, skimming, competitor-based, cost plus
  - promotional, e.g. advertising, public relations, sponsorship, use of social and other media, guerrilla marketing, personal selling, product placement, digital marketing, corporate image
  - place, distribution channels, e.g. direct to end users (mail/online/auction), retailers, wholesalers
  - extended marketing mix: people, physical environment, process.

C4 The marketing campaign

Application of marketing principles to the preparation of a marketing campaign.

- Components of a marketing campaign to include:
  - objectives of the marketing campaign
  - purpose of the marketing message
  - selection of an appropriate marketing mix
  - selection of appropriate media
  - allocation of the campaign budget
  - timelines for the campaign, including monitoring milestones
  - how the campaign is to be evaluated.

C5 Appropriateness of a marketing campaign

- Criteria used in the evaluation of the effectiveness of a marketing campaign including:
  - contribution of the marketing campaign to a business's long-term strategic aims
  - how far the marketing campaign reinforces and supports brand value
  - sustainability of the planned marketing activities
  - how far the campaign is able to respond and adapt to both internal and external changes in the business environment
  - appropriateness of marketing activities to the target market, their needs and interests
  - legal or ethical considerations that result from the roll-out of the marketing campaign.

C6 Formal business reports

- The purpose of formal business reports and their format:
  - target audience and their requirements and expectations
  - format of a formal business report: title and details of report, introduction, analysis and management issues, conclusions, recommendations; appendices.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Explore how different markets are researched using different models and tools		
A.P1 Perform market research in a given context using different methods and tools. **A.P2** Explain features of a market for a given context.	**A.M1** Analyse a market for a given context, based on own detailed market research.	**A.D1** Evaluate the findings of own comprehensive market research for a given context.
Learning aim B: Explore approaches to product marketing nationally and internationally		
B.P3 Explain the way in which a product is marketed in a given context. **B.P4** Explain the effectiveness of the marketing of a product in a given context.	**B.M2** Analyse the effectiveness of the marketing of a product in a given context.	**B.D2** Evaluate the effectiveness of the marketing of a product in a given context.
Learning aim C: Develop a plan for a marketing campaign for a new product		
C.P5 Produce a plan for a marketing campaign for a new product in a given market. **C.P6** Explain decisions and approaches taken in own plan for a marketing campaign for a new product in a given market.	**C.M3** Analyse decisions and approaches taken in own detailed plan for a marketing campaign for a new product in a given market.	**C.D3** Justify decisions and approaches taken in own plan for a comprehensive marketing campaign for a new product in a given market.

Essential information for assignments

This unit is assessed using a Pearson Set Assignment Brief. A set assignment must be used to assess learners.

Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to a range of current business information from websites and printed resources.

Essential information for assessment decisions

Learning aims A, B and C

For Distinction standard, learners must undertake market research in a specific market sector using an extensive range of sources such as industry reports, marketing campaigns and data tables showing market trends, from which they draw relevant conclusions to prepare the rationale for a marketing campaign for a specific product. Learners must present a rationale with a logical structure, applying a variety of relevant marketing principles, models and tools. Learners provide comprehensive coverage of relevant, rationalised marketing aims and objectives, including an evaluation that is entirely relevant to the context. References will be clearly focused and entirely relevant to the context. Learners demonstrate a thorough understanding of marketing concepts and their relevance. They will use a detailed analytical approach that leads to entirely relevant and balanced conclusions. A range of analytical tools will be used, which fully address the context of the case study. All aspects of the marketing plan will be covered in detail, and in context, with clear reference to the relevant aspects of the marketing mix, including the extended marketing mix. The budget is realistic and detailed and identifies the potential returns on marketing expenditure.

For Merit standard, learners must carry out market research in a specific market sector using a wide range of research sources. Learners use their research findings to conduct an analysis that enables them to clearly identify the key factors in a successful marketing campaign. For example, they could show how the extended marketing mix has been applied in a successful marketing campaign. Learners must present a rationale with a logical structure and apply relevant marketing principles, models and tools. Learners rationalise marketing aims and objectives, which are relevant to the context. References are made to individual research that are relevant to the context and demonstrate a good understanding of marketing concepts and their relevance. Conclusions are relevant and balanced. A variety of analytical tools are used leading to a coherent, justified evaluation. The marketing mix will be presented in context with some application of the extended marketing mix. The budget presented by the learner is realistic and covers most marketing activities.

For Pass standard, learners must perform relevant market research in a given context, collating data on a specific market sector. They must use their research findings to identify the features of the market and show how these features have influenced the marketing campaign for a product in that market. For example, they could show how a particular market trend such as the increase in online shopping, has influenced the marketing campaign of a specific product. Learners must prepare a rationale that has a basic structure and attempts to apply relevant marketing models and tools with some use of marketing principles. Learners provide relevant marketing aims and objectives, which are relevant to the context. Reference will be made to their own research activities, which includes a basic grasp of marketing models that leads to conclusions which may lack relevance in some places. Learners will show evidence of the use of analytical tools in justifying the marketing campaign. A marketing mix will be presented covering most aspects of the scenario. The budget shows a basic understanding of the costs associated with each activity.

Assessment controls

Time: this assignment has a recommended time period. This is for advice only and can be adjusted depending on the needs of learners.

Supervision: you should be confident of the authenticity of learner's work. This may mean that learners be supervised.

Resources: all learners should have access to the same types of resources to complete the assignment.

Research: learners should be given the opportunity to carry out research outside of the learning context if required for the assignment.

Links to other units

This unit links to:

- Unit 1: Exploring Business
- Unit 3: Business Finance.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers and interview opportunities
- work experience
- business material as exemplars
- visits to appropriate business organisations.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop research and planning skills.

Unit 3: Business Finance

Level: **3**
Unit type: **Internal**
Guided learning hours: **90**

Unit in brief

Learners develop the skills and knowledge required to analyse and interpret financial data, enabling them to assess the financial health of a business and suggest how its performance can be improved.

Unit introduction

Business finance enables a business organisation to operate on a day-to-day basis, and over the long term, develop new products and invest in new equipment in order to access new markets. Decisions relating to business finance require careful planning and monitoring, which involve deciding where to obtain the finance, calculating business costs, and understanding how to evaluate and improve the overall performance of a business.

In this unit, you will consider the importance of business finance and the types of business finance available in different contexts. The unit will introduce you to accounting terminology, the purpose and importance of business accounts, and the different sources of finance available to businesses. You will prepare and analyse business finance planning tools such as cash flow forecasts and break-even analyses. Measuring the financial performance of an organisation will require you to prepare and analyse statements of comprehensive income, and statements of financial position, in relation to the organisation's profitability, efficiency and liquidity.

This unit will give you a background to business finance and accounting as you progress to employment and further training.

Learning aims

In this unit you will:

A Explore types of business finance available at different stages in the growth of a business

B Understand how financial planning tools can be used to analyse financial data and assess business risks

C Understand how financial statements for a sole trader are prepared and used to analyse and evaluate business performance.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Explore types of business finance available at different stages in the growth of a business	**A1** Sources of finance **A2** Sources of revenue **A3** Business finance and types of business	A report identifying the sources of finance applicable in different business scenarios.
B Understand how financial planning tools can be used to analyse financial data and assess business risks	**B1** Cash flow forecasts and statements **B2** Break-even analysis **B3** Business risks	Present financial information on behalf of a sole trader which analyses the performance of the business, identifies current business risks and suggests ways in which business performance could be improved.
C Understand how financial statements for a sole trader are prepared and used to analyse and evaluate business performance	**C1** Statement of comprehensive income **C2** Statement of financial position **C3** Measuring performance using financial ratios **C4** Preparation of financial performance reports	

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Content

Learning aim A: Explore types of business finance available at different stages in the growth of a business

A1 Sources of finance

Features of the main sources of internal and external business finance and their advantages and disadvantages.

- Internal sources of finance, including owner's capital, retained profit and the sale of assets.
- The importance of net current assets.
- External sources of finance distinguished between long-term, medium-term and short-term:
  - long-term sources of finance, including mortgages, shares and debentures
  - medium-term sources of finance, including leasing, hire purchase, bank loans, peer-to-peer lending and venture capital
  - short-term sources of finance, including bank overdrafts, crowdfunding, debt factoring, invoice discounting and trade credit.

A2 Sources of revenue

Features of the main sources of revenue received by a business and factors that influence the amount received from each source of revenue.

- Revenue received from selling activities, including cash sales and credit sales.
- Revenue received from supplementary activities, including rental income, interest payments on deposits and commission received (e.g. social media).

A3 Business finance and types of business

The relationship between business finance and the characteristics of a business, its objectives and the stage in its development.

- Types of business and the stages in their development to include: start-up, sole trader partnerships, private and public limited companies.
- Business objectives to include: expansion, product development, market development and relocation.

Learning aim B: Understand how financial planning tools can be used to analyse financial data and assess business risks

B1 Cash flow forecasts and statements

Methods and processes used to prepare, complete, revise and analyse cash flow forecasts and statements of cash flow.

- The importance of cash flow.
- Inflows/receipts and outflows/payments.
- The difference between a cash flow forecast and a statement of cash flow.
- Analysis of cash flow forecasts and statements.
- Actions that can be taken by a business to address cash flow difficulties.
- Benefits and limitations of cash flow forecasts.

B2 Break-even analysis

Methods and processes used to prepare, complete, revise and analyse a break-even chart.

- Distinguishing between types of cost: fixed, variable, semi-variable.
- Sales: calculations of total revenue from output and sales per unit.
- Constructing a break-even chart from given data to determine the break-even point and the margin of safety.
- Calculating the margin of safety and the break-even point using the break-even formula (units and/or sales value).
- Calculation of total contribution, contribution per unit benefits and limitations.
- The implications of contribution analysis for short-term decision making.
- Benefits and limitations of break-even analysis.

B3 Business risks

Assessment of financial risks using cash flow and break-even analysis.

- Risks related to costs (fixed costs, variable costs, semi-variable, total costs), including changes in suppliers, changes in the cost of imported materials, factors impacting labour costs.
- Risks related to cash inflows and revenue streams (changes in market conditions, overambitious forecasts, changes in economic conditions including interest rates).

Learning aim C: Understand how financial statements for a sole trader are prepared and used to analyse and evaluate business performance

C1 Statement of comprehensive income

Methods and processes used to prepare, complete, revise and analyse a statement of comprehensive income for a sole trader.

- Purpose and use of a statement of comprehensive income.
- Completion, calculation and amendment to include gross profit (revenue, opening inventories, purchases, closing inventories, cost of goods sold), calculation of profit/loss for the year (expenses, other income).
- Adjustments in a statement of comprehensive income for depreciation using both the straight line and reducing balance methods.

C2 Statement of financial position

Methods and processes used to prepare, complete, revise and analyse a statement of comprehensive income for a sole trader.

- The purpose and use of a statement of financial position.
- Completion, calculation and amendment of a statement of financial position of a sole trader to include: non-current assets (tangible and intangible, cost, depreciation and amortisation, net book value), current assets (inventories, trade receivables, prepayments, bank, cash), current liabilities (bank overdraft, accruals, trade payables).
- Non-current liabilities (bank loan and mortgage).
- Adjustments in a statement of financial position for depreciation, prepayments and accruals.

- Accounting for changes in capital, including opening capital, transfer of profit or loss and drawings.
- Extracting financial data from a statement of financial position to determine net current assets/liabilities, capital employed.

C3 Measuring performance using financial ratios

Methods and processes used to analyse financial statements against financial targets.

- Measuring profitability: calculation, interpretation, analysis and evaluation of:
  - gross profit margin – (gross profit/revenue) × 100
  - mark-up – (gross profit/cost of sales) × 100
  - net profit margin – (net profit/revenue) × 100
  - return on capital employed (ROCE) – (profit/capital employed) × 100.
- Measuring liquidity: calculation, interpretation, analysis and evaluation of:
  - current ratio – current assets/current liabilities
  - liquid capital ratio – (current assets – inventory)/current liabilities.
- Measuring efficiency: calculation, interpretation, analysis and evaluation of:
  - trade receivable days – (trade receivable/credit sales) × 365
  - trade payable days – (trade payables/credit purchases) × 365
  - inventory turnover – (average inventory/cost of sales) × 365
  - comparative analysis of business performance against own performance, competitors and industry benchmarks
  - actions taken by a business to improve its profitability, liquidity and efficiency and the benefits and limitations of such actions.
- Limitations of ratios when assessing business performance.

C4 Preparation of financial performance reports

Importance of using a business report format for the presentation of financial performance review outcomes.

- Format, layout:
  - title and details of the report
  - introduction
  - set of calculations based on the financial data provided for the business
  - risks faced by the business based on financial data provided by the business and the previous decisions it has taken
  - analysis of the performance of the business
  - conclusions
  - recommendations.

Assessment criteria

<table>
<tr><th>Pass</th><th>Merit</th><th>Distinction</th></tr>
<tr><td colspan="2">Learning aim A: Explore types of business finance available at different stages in the growth of a business</td><td rowspan="2">A.D1 Evaluate appropriate types of business finance applicable in a specific business context.</td></tr>
<tr><td>A.P1 Explain sources and suitability of finance available in different business contexts.
A.P2 Explain sources and suitability of revenue available in a specific business context.</td><td>A.M1 Analyse the types of business finance required in a specific business context.</td></tr>
<tr><td colspan="2">Learning aim B: Understand how financial planning tools can be used to analyse financial data and assess business risks</td><td rowspan="2">B.D2 Evaluate the impact of different factors that impact on financial risks in a given business context.</td></tr>
<tr><td>B.P3 Explain the purpose of financial planning tools in reviewing financial data in a specific business context.
B.P4 Perform appropriate calculations using financial planning tools to identify financial risks in a specific business context.</td><td>B.M2 Analyse the factors that impact on financial risks in a specific business context.</td></tr>
<tr><td colspan="2">Learning aim C: Understand how financial statements for a sole trader are prepared and used to analyse and evaluate business performance</td><td rowspan="2">C.D3 Justify recommendations for improvements to business performance for a sole trader, arising from own preparation and interpretation of business financial data.</td></tr>
<tr><td>C.P5 Prepare and interpret financial statements for sole trader businesses.
C.P6 Explain ways to improve profitability, liquidity and efficiency in a given business context.</td><td>C.M3 Assess business performance of a sole trader by manipulating financial data and making suggestions for improving business performance.</td></tr>
</table>

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Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of three summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aim: A (A.P1, A.P2, A.M1, A.D1)

Learning aim: B (B.P3, B.P4, B.M2, B.D2)

Learning aim: C (C.P5, C.P6, C.M3, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to a range of current business information from websites and printed resources.

Essential information for assessment decisions

Learning aim A

To complete this assignment learners must ensure they select businesses which give them the depth of information they will need. The choice of business will be individual and not teacher led.

For Distinction standard, you will expect learners to individually prepare a report which incorporates an extensive evidence drawn from relevant sources evaluating how far different types of business finance meet the requirements of specific businesses. Careful consideration is given to the weighting of all relevant factors, including advantages and disadvantages and the associated business risks, to present a reasoned and logical evaluation of the factors involved in determining the most appropriate types of business finance in different contexts.

For Merit standard, you will expect learners to show that they have selected a wide range of relevant research sources and applied their knowledge and understanding of business finance in order to identify the similarities and differences in approach to securing business finance in different business contexts. Learners will consider how different types of business finance can be accessed by businesses operating at different stages in their development or in different sectors. For example, a new on-line business start-up may be able to access crowdfunding while an SME operating as a sole-trader or a partnership could consider converting to a limited company. Learners would highlight the main factors which would need to be considered when presenting their recommendations.

For Pass standard, you will expect learners to clearly identify the main features of different types of business finance. You will expect learners to show how these features can influence the decisions of businesses at different stages in their development. For example, the relative size of the business, the cost of business finance and access to specific types of business finance could be considered in relation to different types of businesses depending upon their size, business objectives, products and the sector in which they operate. Learners would be able to distinguish between sources of business finance and sources of business revenue.

Learning aims B and C

For Distinction standard, you will expect learners to present a financial report which contains an in-depth analysis drawn from the financial forecasts they have prepared from cash flow and break-even data. The analysis will clearly identify the potential risks to the business from these forecasts and detail the actions that could be taken by the business to address these risks. Financial statements will be prepared accurately and presented in a professionally-accepted format and learners will extract relevant data from these statements to analyse business performance relating to profitability, efficiency and effectiveness.

For Merit standard, you will expect learners to prepare accurate cash flow forecasts and break-even charts with a broad range of conclusions based upon their analysis of the forecasts they have prepared. Financial statements will be accurately prepared in a vertical format and the learner will use financial ratios to analyse business performance. Recommendations will be logically consistent with the outcome of the ratio analysis.

For Pass standard, you will expect learners to explain the purpose of cash flow forecasts and break-even analysis and provide evidence of calculations completed from data extracted from financial forecasts. Learners show an understanding of the main components of the financial statements and how they can be used to measure business performance. Recommendations relating to improvements in business performance will focus upon a narrow range of options.

Links to other units

This unit links to *Unit 1 Exploring Business.*

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop skills in analysing and interpreting financial data.

Unit 4: Managing an Event

Level: **3**
Unit type: **Internal**
Guided learning hours: **90**

Unit in brief

Learners will work as part of a small group to plan, coordinate and manage a business or social enterprise event and evaluate the skills gained.

Unit introduction

Events management is one of the most exciting and dynamic sectors of business. This unit combines your creativity and organisational skills to produce successful, memorable events, whether for profit or social enterprise.

You will investigate a number of successful events, both large and small, and use this research to assess the feasibility of events to plan and run yourself. Examples could range from organising meetings, product launches, exhibitions, promotions, charity events, team-building events and staff development, to a full-scale conference. Your chosen event will be carefully planned, demonstrating your ability to use planning tools. You will then stage the event, testing the effectiveness of your planning. This will require you to 'think on your feet', deal with financial and security issues, liaise with suppliers and venue personnel, and utilise your problem-solving skills. Afterwards you will evaluate the success of the event. To complete the assessment task within this unit, you will need to draw on your learning from across your programme.

This unit will develop your teamwork, communication, time-management, negotiation and problem-solving skills. It will help you develop the essential transferable skills that employers look for. The unit will provide a useful opportunity to consider whether to pursue a career in events management or to continue on to further study in this area.

Learning aims

In this unit you will:

A Explore the role of an event organiser

B Investigate the feasibility of a proposed event

C Develop a detailed plan for a business or social enterprise event

D Stage and manage a business or social enterprise event

E Reflect on the running of the event and evaluate own skills development.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Explore the role of an event organiser	**A1** Different tasks needed to be completed by an event organiser **A2** Different skills needed by an effective event organiser **A3** Common formats for skills audit collection	An individual report identifying tasks that would need to be carried out by an event organiser. Summary of skills needed by an event organiser and identification of own personal skills, highlighting areas for development.
B Investigate the feasibility of a proposed event	**B1** Different types of event, and the factors affecting success **B2** Feasibility measures and critical success factors	An individual summary report and group presentation, following a detailed investigation into a range of large and small successful events, to include a justification of the chosen proposal. A detailed plan of the event, identifying critical success factors.
C Develop a detailed plan for a business or social enterprise event	**C1** Event planning and the use of planning tools **C2** Factors to be considered, including budgets, resources and contingency planning	
D Stage and manage a business or social enterprise event	**D1** Management of the event **D2** Problem solving	Learners must take an active part in staging and managing the event. Evidence of this such as photographic evidence, witness statements, assessor records, must be presented. A written report recording and evaluating the success of the event in terms of: · meeting event objectives · achieving targets · satisfaction survey or feedback from participants · analysis and evaluation of own event-management skills.
E Reflect on the running of the event and evaluate own skills development	**E1** Evaluation of the event **E2** Review of personal skills development in the running of the event	

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Content

Learning aim A: Explore the role of an event organiser

A1 Different tasks needed to be completed by an event organiser

- Organising: venue, location, catering, planning and reserving facilities, e.g. toilets if outdoor event, setting up programme, preparing and distributing documents, contracts.
- Investigating current legal requirements, including consumer protection.
- Setting up organisational procedures, e.g. risk assessment and security.

A2 Different skills needed by an effective event organiser

- Organisational.
- Problem solving.
- Time management.
- Negotiation.
- Communication.
- Interpersonal.

A3 Common formats for skills audit collection

- Likert scale.
- Semantic differential scale.
- Observation.
- Questionnaire.
- Appraisal.

Learning aim B: Investigate the feasibility of a proposed event

B1 Different types of event, and the factors affecting success

- Business events: conferences, exhibitions, product launches, trade shows, shareholders' meetings, press conferences, awards evenings, team building, seminars.
- Sport and recreation events: the Olympic Games, the Paralympic Games, national sports tournaments, sports matches, motor sports events, racing, equestrian events, country fairs, food festivals, fun runs, sailing regattas, collectors' fairs.
- Entertainment: music festivals, concerts, plays.
- Celebrations: weddings, birthdays, anniversaries.
- Social enterprise events: charity sports events, charity fundraising events, e.g. dinners, auctions.

B2 Feasibility measures and critical success factors

- Mind map event ideas.
- Purpose of event.
- Aims and objectives.
- Constraints: budget, venue, resources, human and physical, sustainability and environmental factors.
- Success factors: setting goals and targets.

Learning aim C: Develop a detailed plan for a business or social enterprise event

C1 Event planning and the use of planning tools

- Gantt charts.
- Critical path analysis.
- Online planning tools.

C2 Factors to be considered, including budgets, resources and contingency planning

- Aims and objectives.
- Budget: available finance, expected sales figures, banking, cost of resources, expenses such as venue, catering, staff, travel.
- Resources: flipcharts, Wi-Fi, telephone, display boards, ability to take money, chairs, tables, computer, Smart Board.
- Venue: size of room, facilities available, car parking, access arrangements.
- Catering: special consideration of dietary needs.
- Legal constraints: contracts, health and safety (risk assessment), negligence liability.
- Team working: allocation of tasks, planning meetings.
- Insurance, including public liability.
- Methods of communication: promotion, letters, invitations.
- Contingency planning: 'what if' scenarios, e.g. 'What if the caterers don't turn up?'.

Learning aim D: Stage and manage a business or social enterprise event

D1 Management of the event

- Contracts for venue: suppliers, personnel.
- Marketing of the event: publicity, advertising, sponsorship, guest list, invitations.
- Customer service.
- Monitoring procedures to ensure tasks allocated have been completed.
- Security and health and safety.
- Methods of communication: internally and externally.
- Attendee evaluation: prepare, issue and collect questionnaires.

D2 Problem solving

- Implementation of contingency plan, e.g. non-delivery of resources.
- Customer service issues.
- Health and safety issues.

Learning aim E: Reflect on the running of the event and evaluate own skills development

E1 Evaluation of the event

- Review of success: meeting aims and objectives, timing, keeping to budget set, effectiveness of contingency plan.
- Analysis of evaluation forms.
- Suggestions for improvement.

E2 Review of personal skills development in the running of the event

- Event management.
- Employability.
- Communication.
- Negotiation.
- Time management.
- Problem solving.
- Team working.
- Analysis of own skills.

Assessment criteria

<table>
<tr><th>Pass</th><th>Merit</th><th>Distinction</th></tr>
<tr><td colspan="2">Learning aim A: Explore the role of an event organiser</td><td rowspan="2">A.D1 Fully justify how own skills match those of an event organiser.</td></tr>
<tr><td>A.P1 Explain the role and skills required to be an effective event organiser.
A.P2 Investigate own skills in the form of a skills audit.</td><td>A.M1 Analyse own skills against those required by an event organiser, highlighting areas for development.</td></tr>
<tr><td colspan="2">Learning aim B: Investigate the feasibility of a proposed event</td><td rowspan="4">BC.D2 Evaluate and justify the feasibility of the plan, tools, budget and risk, making any required contingency adjustments.</td></tr>
<tr><td>B.P3 Investigate the staging of several events to determine common success factors.
B.P4 Explain the chosen event idea, including reasons for choice.</td><td>B.M2 Assess the feasibility of the event proposal.</td></tr>
<tr><td colspan="2">Learning aim C: Develop a detailed plan for a business or social enterprise event</td></tr>
<tr><td>C.P5 Explain factors that need to be considered when producing a detailed plan for the proposed event.
C.P6 Produce a detailed plan for chosen event using planning tools, detailed budget and consideration of risk assessment and contingency planning.</td><td>C.M3 Analyse the key factors that need to be considered when producing a plan for an event.</td></tr>
</table>

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Pass	Merit	Distinction
Learning aim D: Stage and manage a business or social enterprise event		
D.P7 Stage an event, demonstrating some relevant management skills.	**D.M4** Demonstrate effective and safe management skills when organising and staging an event.	**DE.D3** Justify how own contribution has contributed to a successful outcome of the event by the demonstration of outstanding management skills throughout the arranging and staging of an event.
Learning aim E: Reflect on the running of the event and evaluate own skills development		
E.P8 Review the success of the event in meeting aims and objectives, achieving targets and receiving good feedback from stakeholders.	**E.M5** Analyse the planning and running of the event, how risks and contingencies were managed, making recommendations for future improvements.	

Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of three summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aim: A (A.P1, A.P2, A.M1, A.D1)

Learning aims: B and C (B.P3, B.P4, C.P5, C.P6, B.M2, C.M3, BC.D2)

Learning aims: D and E (D.P7, E.P8, D.M4, E.M5, DE.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to a range of current business information from websites and printed resources.

Essential information for assessment decisions

The event selected should allow learners to fulfil the skills and activities required by the assessment criteria while ensuring learners and participants are safe.

Learners should produce their own independent evidence if working in a group.

Learning aim A

For Distinction standard, learners will justify how their own personal skills match those required by an event organiser.

For Merit standard, learners will compare their own personal skills to those required by an event organiser. They will highlight areas where they need to develop their skills and make suggestions as to how this might happen.

For Pass standard, learners will produce a report/interview transcript, identifying the role and skills required to be an effective event organiser. A personal skills audit will be included.

Learning aims B and C

For Distinction standard, learners will show clear justification, based on their research, of their choice of event and why it will be successful.

For Merit standard, learners will assess the feasibility of the proposed event. There will be an analysis to show that they clearly understand the importance of producing a contingency plan when organising an event and a rationale presented for the proposed contingency plans.

For Pass standard, learners will show evidence of research into a number of different successful events and an identification of the common success factors. This will enable them to produce an effective event plan, taking into account all key planning factors and using planning tools. A budget for the event will also be provided.

Learning aims D and E

For Distinction standard, learners will produce a detailed justification on how well the event was managed and to what extent the initial plan contributed to the success (or not) of the event. Learners will justify how their own contribution was instrumental in the success of the event and the skills developed throughout the process. Learners need to show a significant and sustained participation through the planning, staging and evaluation of the event to fully achieve a distinction. A witness statement will be needed to support this.

For Merit standard, learners will analyse the planning and staging of the event, with a particular focus on how potential risks and contingencies were managed. They will also include detailed recommendations for improvement.

For Pass standard, learners will give evidence in the form of a diary covering all stages of the event, together with witness statements, photographic evidence and observation records. Learners will also submit a written review of the success of the event based on feedback from stakeholders.

Links to other units

This unit links to:

- Unit 1: Exploring Business
- Unit 2: Research and Plan a Marketing Campaign
- Unit 3: Business Finance
- Unit 5: International Business
- Unit 6: Principles of Management.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers from event management businesses
- work experience
- business materials as exemplars
- support from local business staff as mentors.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop skills required to coordinate and manage an event.

Unit 5: International Business

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners explore the reasons why businesses trade globally and consider the factors that influence the implementation of international business strategies.

Unit introduction

International business has a significant influence on a nation's economy. It takes place in a globally competitive environment, involving organisations of all types and sizes. Organisations engaged in international business activities need to take into account a number of factors, such the culture and politics of the country with which they want to do business. Governments can influence international business to maximise the benefits to the national economy and countries join international trading blocs to promote and protect international business.

In this unit, you will explore the benefits and issues associated with international business activities. You will investigate the economic and wider external environments that influence the choice of international markets. You will also examine the strategic and operational approaches to developing business in an international context. To complete the assessment task within this unit, you will need to draw on your learning from across your programme.

This unit will give you a greater understanding of the global business environment to help inform your career choices. The unit gives you the skills to undertake advanced or specialist studies in international business at higher education level.

Learning aims

In this unit you will:

A Examine the influences on the growth of globalisation

B Explore the structure of the global economy

C Examine strategic and operational approaches to developing international business.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Examine the influences on the growth of globalisation	**A1** Globalisation **A2** Factors influencing globalisation	A critical review of the current factors impacting the development and growth of international business.
B Explore the structure of the global economy	**B1** International trading associations **B2** The finance of international trade **B3** Barriers to international business **B4** Exchange rates	A case study investigation of an international business organisation, examining current and potential strategies.
C Examine strategic and operational approaches to developing international business	**C1** Strategic aims and objectives **C2** External influences **C3** Operational implications	

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Content

Learning aim A: Examine the influences on the growth of globalisation

A1 Globalisation

- The features and benefits of international trade, including imports and exports, international specialisation, increased standard of living; wider variety of goods available; technology transfer; the impact of international specialisation; creation of employment opportunities; international cooperation between countries.
- Features of globalisation, including the growth of trading blocs and their purpose, the growth of international transport systems, the international mobility of labour, international currency exchange and the impact of the growth of technology on business communications.
- The challenges of globalisation, including the economic and political influence of major international businesses, population movements; the increase in protectionist economic policies.

A2 Factors influencing globalisation

The influence of business organisations on the growth of the global economy.

- Reasons for conducting business internationally:
  - growth and diversification
  - access to new markets
  - additional revenue streams, increasing market share
  - brand exploitation
  - market leadership
  - technological dominance
  - gain comparative advantage
  - generate efficiency savings arising from internal economies of scale
  - external economies of scale
  - preferential tax rates or government incentives.
- Characteristics, advantages and disadvantages of international markets, e.g. developed economies, emerging markets, less developed economies.
- Factors influencing the choice of market, e.g. type of product, operating costs, size of market, political stability, regulatory.
- Characteristics and features of organisations and agencies involved in international business:
  - exporting organisations
  - importing organisations
  - multinational organisations
  - associated organisations, e.g. logistics and marketing
  - government agencies providing support and advice to international businesses.

Learning aim B: Explore the structure of the global economy

B1 International trading associations

Purpose and features of associations and trading arrangements in international business.

- World Trade Organization (WTO).
- Customs unions and common markets, e.g. European Union (EU), Mercosur (common market of South American nations), Eurasian Economic Union (EAEU).
- Free-trade areas such as USMCA (the United States-Mexico-Canada Agreement, which is to replace the North American Free Trade Area), ASEAN-Australia-New Zealand Free Trade Area (AANZFTA).

B2 The finance of international trade

- Methods of financing international trade, e.g. cash in advance, letters of credit, open account, consignment, international credit cards, international bank transfers, commercial payment systems.
- Agencies that support international business, e.g. banks, chambers of commerce, regional advisory organisations.
- Government support for international businesses, e.g. trade delegations, export finance advisers, trade fairs, identifying international partners, grants for international promotions.

B3 Barriers to international business

Factors that impact the growth of international business.

- Protectionism in international markets, e.g. to protect infant industries, to protect employment/local business.
- Features of the methods for protecting markets and their impact on the volume and value of international business, e.g. tariffs, customs duties, currency restrictions, quotas, subsidies.
- Features of the barriers to trade, e.g. trade restrictions, exchange rate volatility, legal and regulatory systems, financial requirements, operating risks, economic sanctions, political pressures.

B4 Exchange rates

- The factors influencing a country's exchange rate, e.g. inflation, interest rates, public debt, terms of trade, political stability, economic policies.
- Impact of currency rate fluctuations on a country and individual export and import businesses.

Learning aim C: Examine strategic and operational approaches to developing international business

C1 Strategic aims and objectives

- Factors that can influence the determination of business strategy for large and small businesses using SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis.
- Strategic aims and objectives of international businesses at different stages in their development, including market opportunities, profitability, growth, costs, efficiency, diversification, to increase shareholder value, corporate social responsibility.

- Factors influencing the strategic direction of small and large business organisations, e.g. the speed of establishing operations, access to local business knowledge and expertise, cost control, risk control, growth potential.
- Strategies for operating internationally, e.g. subsidiary businesses, joint ventures, partnerships, agencies, licensing, franchising, subcontracting and outsourcing.

C2 External influences

- STEEPLE analysis of factors that influence the external environment in which business organisations operate:
  - Social and cultural, e.g. language, social structures, religion, values and attitudes to work.
  - Technological, e.g. reverse innovation for less developed economies
  - Economic, e.g. tax rate on profits
  - Environmental, e.g. regulations on sustainability and recycling
  - Political, e.g. stability of political systems in a country
  - Legal and regulatory, e.g. intellectual property rights, corporate governance regulation
  - Ethical factors, e.g. equal pay, workforce health and safety.

C3 Operational implications

- Factors to take into account when implementing an international business strategy, including costs, expertise required, risk appetite of owner, contribution of the functional areas, including sales and marketing, finance, human resources, production/operations, administration, research and development.
- Re-engineering products and services to meet the demands and preferences of international markets, e.g. manufacturing vehicles to take account of emission regulations in different countries, reverse innovation.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Examine the influences on the growth of globalisation		**A.D1** Evaluate the importance of factors influencing the global economy and the impact of globalisation on the national economies of contrasting countries.
A.P1 Explain the importance of factors influencing the global economy. **A.P2** Explain the impact of globalisation on the national economies of contrasting countries.	**A.M1** Analyse the importance of factors influencing the global economy and the impact of globalisation on the national economies of contrasting countries.	
Learning aim B: Explore the structure of the global economy		**B.D2** Evaluate the impact of trading associations and trading barriers on an international trading organisation.
B.P3 Explain the impact of trading associations on an international business organisation. **B.P4** Explain the impact of trading barriers on an international business organisation.	**B.M2** Analyse the impact of trading associations and trading barriers on an international trading organisation.	
Learning aim C: Examine strategic and operational approaches to developing international trade		**C.D3** Justify own recommendations for the future strategic direction of an international business organisation.
C.P5 Explain the current strategic approach of an international business organisation. **C.P6** Explain reasons for own recommendations for the future strategic direction of an international business organisation.	**C.M3** Analyse the current strategic international approach of a business organisation. **CM.4** Analyse the future strategic direction of an international business organisation, with rationale for own recommendations.	

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Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aim: A (A.P1, A.P2, A.M1, A.D1)

Learning aims: B and C (B.P3. B.P4, C.P5, C.P6, B.M2, C.M3, C.M5, B.D2, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to current business information, for example from websites and printed resources.

Essential information for assessment decisions

Learning aim A

For Distinction standard, learners must produce a comprehensive report that explores both the positive and negative factors that influence the growth or reduction in scale of business activities that take place in the global economy. Learners must clearly distinguish between those factors that impact the global economy as a whole and those whose impact is primarily on specific market sectors or individual countries. Learners will show an in-depth understanding of the influences on each of the factors they have identified and the risks and opportunities they afford to business organisations operating in the global economy. For example, learners could show how the global economy is influenced by political and economic decisions taken by major international trading countries, whereas other specific factors may impact on certain market sectors such as cars or technology, which, in turn, could impact those countries that specialise in the production of goods and services focused on these market sectors. Learners will use data and market trends to support their conclusions, for example the volume and value of international trade, the volume and value of imports and exports of specific countries as well as economic performance indicators in these countries, including trends in economic growth and employment data. Learners will provide a wide range of examples to illustrate their ideas, which will be thoroughly detailed and accurate.

For Merit standard, learners must produce a well-reasoned report that explores in detail the positive and negative factors that impact on the growth or reduction of business activities that take place in the global economy. Learners will use a range of data sources to support the conclusions drawn in their report. For example, this data could be extracted from economic performance data of the global economy as a whole or the economic performance data of some of the main trading blocs, as well as data on those countries specialising in key market sectors. This data could include economic growth statistics and employment statistics. Learners will draw relevant conclusions, including the potential risks and opportunities for businesses operating, or seeking to operate, in the global economy and provide a range of examples to illustrate their conclusions, which will be detailed and accurate.

For Pass standard, learners must produce a report that identifies the main features of globalisation and highlights some of the main contributory factors affecting the growth or reduction of the global economy. Learners will review the relative influence of most of the factors that influence the development and growth of the global economy and how these factors have stimulated the development and growth of international trade between countries. Learners will include some economic and business data related to the global economy as a whole and to specific countries or market sectors to support their conclusions, which will be generally accurate, but may be generic and lacking in detail.

Learning aims B and C

For Distinction standard, learners must produce a comprehensive case study on a self-selected international business organisation. They must clearly identify how the business organisation's mission and core values have been translated into its business strategy in relation to its overseas business operations and activities. This could include research data drawn from publications such as the business organisation's Annual Report, with the case study including information such as the countries in which the business is based referenced against the trading blocs to which these countries are associated. Quantitative data could include the number of employees in each country and the relative size and importance of the business's different international markets. Learners must conduct a comprehensive environmental analysis using STEEPLE and SWOT analysis, which, coupled with their other research findings, is used as the basis for a set of realistic recommendations for the future strategic direction of the business organisation. Learners will produce a robust rationale and risk analysis that justify the business case for the recommendations.

For Merit standard, learners must produce a detailed case study on a self-selected international business organisation. The case study clearly show how the organisation's mission and core values, as well as the existence of international trading blocs, have influenced its strategic direction and associated operational business decisions and practices. For example, a business may have chosen to locate one of its major manufacturing plants in a specific country that belongs to a trading bloc in order to gain access to additional markets or it could have been attracted to a country whose working population has particular skills or characteristics. Learners must incorporate the results of their research into a detailed environmental analysis, using STEEPLE and SWOT analysis, which provides the basis for a set of realistic recommendations for the future strategic direction of the business organisation. For example, they may choose to support their recommendations by suggesting a series of SMART business targets against which the proposed recommendations could be assessed. These should be clearly referenced against the mission of the business and include an overview of the business risks involved in implementing the recommendations.

For Pass standard, learners must show a general understanding of how the business practices and operations of an international business organisation have been implemented to drive forward its mission and business strategy. Learners will provide an overview of the impact of international trading associations such as trading blocs, on the organisation's decisions relating to aspects such as its location and main markets, and how the activities of the business organisation can be affected by barriers to international trade such as tariffs, quotas and subsidies. For example, learners could show how a business has focused its trading activities in those countries belonging to a free trade area or a customs union in order to take advantage of low tariffs and quotas. Learners will conduct a basic environmental analysis using STEEPLE and SWOT analysis, the outcome of which will be used to provide a set of recommendations that are general in nature and supported by a basic risk assessment and rationale.

Links to other units

This unit links to:

- Unit 1: Exploring Business
- Unit 2: Research and Plan a Marketing Campaign
- Unit 3: Business Finance
- Unit 6: Principles of Management
- Unit 7: Business Decision Making.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop investigation and analysis skills.

Unit 6: Principles of Management

Level: **3**
Unit type: **Internal set assignment**
Guided learning hours: **60**

Unit in brief

Learners develop an understanding of how the role of management and leadership in the workplace contributes towards business success.

Unit introduction

Managers are vital to the running of any business; they shape and influence business through their leadership and managerial performance.

In this unit, you will examine how businesses adapt their approaches to management and leadership in response to challenges in the internal and external business environment. You will gain an understanding of how the implementation of different management and leadership styles and theories can impact on the workplace. Depending on their roles and responsibilities, managers need to develop skill sets that enable them to work effectively in areas such as the management and motivation of people, financial resources, quality management, and the management of change. You will investigate some of the issues that managers and leaders have to deal with in the workplace in making businesses more efficient and ensuring their survival and growth.

This unit will help you to progress to employment by considering a career working in management and leadership, and/or to vocational training. Additionally, you might move on to related higher education having developed a knowledge and understanding of management.

Assessment

This unit has Pearson Set Assignment. Learners must complete a Pearson Set Assignment Brief.

Learning aims

In this unit you will:

A Explore management and leadership principles, concepts, key terms, functions and theories

B Examine management and leadership styles and skills and their impact on organisational performance

C Prepare proposals for business improvement to meet the needs of stakeholders in given business contexts.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Explore management and leadership principles, concepts, key terms, functions and theories	**A1** Management and leadership **A2** Functions of management and leadership **A3** Business culture	This unit is assessed through a Pearson Set Assignment
B Examine management and leadership styles and skills and their impact on organisational performance	**B1** Management and leadership styles **B2** Management and leadership skills	
C Prepare proposals for business improvement to meet the needs of stakeholders in given business contexts	**C1** Managing change **C2** Change recommendations	

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Content

Learning aim A: Explore management and leadership principles, concepts, key terms, functions and theories

A1 Management and leadership

Definition of management and leadership, features of different theories, and the importance of understanding different approaches according to the situation.

- Principles of management as a process e.g. Taylor, Fayol, Mayo
- Development of different models and theories to include:
  - behavioural theories, e.g. managerial grid model, role theory, McGregor X Y, Maslow Hierarchy of Needs
  - contingency theories, e.g. situational theory, Fiedler contingency theory, Decision Making Model, Tannenbaum-Schmidt Leadership Continuum.
  - transactional and transformational leadership theory

A2 Functions of management and leadership

Skills and functions of a manager and a leader and how they contribute to the achievement of organisational aims, vision, mission and objectives.

- Difference between management and leadership in different contexts:
  - work functions
  - required traits and qualities of individual
  - achieving organisational aims and objectives.
- Skills and functions of a manager e.g. planning, organising, coordinating, controlling, monitoring, delegating.
- Skills and function of a leader e.g. inspiring, empowering, energising, influencing stakeholders, envisioning, determining best route to achieve success.

A3 Business culture

Definitions and characteristics of business culture and how this influences management and leadership practices.

- Theories of business culture and the effect of each type on the workforce and performance, e.g. Handy, Schein, Hofstede, Johnson & Scholes.
- Factors that influence business culture to include:
  - vision, mission
  - values, aims and ethos
  - beliefs and traditions
  - organisational policies and procedures
  - equality, diversity, inclusion
  - sustainable business practices
  - management and leadership styles
  - recruitment and selection of the right employees.

Learning aim B: Examine management and leadership styles and skills and their impact on organisational performance

B1 Management and leadership styles

Characteristics, advantages and disadvantages of different management and leadership styles in different business contexts.

- Management and leadership styles to include:
  - autocratic
  - democratic or participative
  - paternalistic
  - laissez-faire.
- Impact or influence on different management and leadership styles, e.g. culture of organisation, beliefs and values of manager or leader.
- Advantages and disadvantages of adapting management and leadership styles to respond to different situations, e.g. situational leadership theory.

B2 Management and leadership skills

Key principles and practices of management and leadership skills and their purpose in the working environment.

- Practices of management and leadership skills to include:
  - setting objectives
  - motivating
  - decision making
  - team building
  - leading by example
  - using emotional intelligence
  - consulting.
- Purpose of management and leadership skills in the working environment to include:
  - delivering results and improving overall quality to achieve common goals
  - managing implementation of policies and procedures
  - resolving problems
  - valuing and supporting others
  - managing conflict
  - building positive interpersonal relationships and developing team potential
  - effectively communicating giving constructive and developmental feedback.

Learning aim C: Prepare proposals for business improvement to meet the needs of stakeholders in given business contexts

C1 Managing change

Key features of change management and how this affects the growth and success of a business.

- Reasons for change to include:
  - social
  - technological
  - economic
  - environmental
  - political
  - legal
  - ethical
- The need to manage change for business survival and success, to include change management models and theory, e.g. Lewin, Schein, Kotter.
- Relationship with the wider environment and factors influencing change:
  - internal factors e.g. leadership, structure, culture
  - external factors e.g. political, economic, social, technological, Legal, environmental.
- Needs and motivations of stakeholders who influence change, including:
  - owners e.g. profitability
  - managers e.g. business and staff performance
  - customers e.g. prices, quality and range of products
  - employees e.g. pay, working conditions
  - government e.g. providing employment
  - regulators e.g. working in line with legislation and regulations
  - financial institutions e.g. business performance in relation to loan repayment
  - Pressure groups e.g. environmentalists

C2 Change recommendations

Format and preparation of reports and presentations examining change management to business organisation managers and owners.

- Methods of effectively communicating change and reasons for selecting each method including;
  - verbal e.g. meetings, one to ones, discussions, presentations
  - written e.g. reports
  - presentations e.g. presentation slides
- Reports to include:
  - accepted business conventions and formats for reporting and presentations
  - effective presentation slides
  - context and recommendations for change
  - rationale for recommendations.

Assessment criteria

<table>
<tr><th>Pass</th><th>Merit</th><th>Distinction</th></tr>
<tr><td colspan="2">Learning aim A: Explore management and leadership principles, concepts, key terms, functions and theories</td><td rowspan="2">A.D1 Evaluate functions and skills of management and leadership for different management and leadership roles in a given business context, through the application of theories, models and concepts of management and leadership.</td></tr>
<tr><td>A.P1 Explain functions of management and leadership using different theories and concepts in a given business context.
A.P2 Examine the skills and need for different management and leadership roles in a given business context.</td><td>A.M1 Analyse the functions and skills of management and leadership using different theories and concepts for different management and leadership roles in a given business context.</td></tr>
<tr><td colspan="2">Learning aim B: Examine management and leadership styles and skills and their impact on organisational performance</td><td rowspan="2">B.D2 Evaluate management and leadership issues that impact business performance in a given business context.</td></tr>
<tr><td>B.P3 Explain how different management and leadership styles can influence business performance.
B.P4 Explain how management and leadership skills could be improved in a given business context.</td><td>B.M2 Analyse management and leadership issues that impact business performance in a given business context.</td></tr>
<tr><td colspan="2">Learning aim C: Prepare proposals for business improvement to meet the needs of stakeholders in given business contexts</td><td rowspan="2">C.D3 Evaluate the potential success of different strategies used for improving business performance in a given context, providing concise, reasoned, recommendations for change using an appropriate format.</td></tr>
<tr><td>C.P5 Explain factors and stakeholders that influence change in a given context using an appropriate format.
C.P6 Explain own recommendations for actions to be taken to improve business performance for a given context, using an appropriate format.</td><td>C.M3 Analyse factors and stakeholders that influence change in a given context using an appropriate format.
C.M4 Justify own recommendations for actions to be taken to improve business performance for a given context, using an appropriate format.</td></tr>
</table>

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Essential information for assignments

This unit is assessed using a Pearson Set Assignment Brief.

Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to a range of current business case studies and information from websites and printed resources.

Essential information for assessment decisions

Learning aims A and B

For Distinction standard, learners must individually prepare a critical appraisal showing in-depth understanding of management and leadership concepts through relating these to identified issues. By applying relevant examples, the learner will be able to provide thorough and well-reasoned judgements as to how well models and theories can be used to help improve the effectiveness of management and leadership practices in a realistic business context.

For Merit standard, learners must demonstrate knowledge and understanding of relevant concepts and theories through using relevant terminology, as applied to the business context. They will examine the context and make reasoned judgements about management and leadership issues that impact on business success.

For Pass standard, learners must demonstrate knowledge and understanding of the principles and functions of management and leadership and determine business best practice in context. They will rationalise the styles and skills required in different management and leadership situations.

Learning aim C

For Distinction standard, learners must prepare a critique of the success of different strategies used for business improvement, making appropriate judgements and presenting fully justified recommendations. They will demonstrate an in-depth understanding of change management models and theories and the role of stakeholders.

For Merit standard, learners must demonstrate knowledge and understanding of a broad range of internal and external factors that influence growth and success in a business scenario. They will apply change management models and theory making justified recommendations for improving business performance.

For Pass standard, learners must demonstrate knowledge and understanding of the concepts of the challenges faced by businesses and how stakeholders influence change in a business scenario. They will apply change management models and theory and show understanding of the factors influencing change and how these factors affect the growth and success of a business.

Assessment controls

Time: this assignment has a recommended time period of 10 hours. This is for advice only and can be adjusted depending on the needs of learners.

Supervision: you should be confident of the authenticity of learner's work. This may mean that learners be supervised.

Resources: all learners should have access to the same types of resources to complete the assignment and any relevant management and leadership theory

Research: learners should be given the opportunity to carry out research outside of the learning context if required for the assignment.

Links to other units

This unit links to:

- Unit 1: Exploring Business
- Unit 8: Human Resources.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- business materials as exemplars
- support from local business staff as mentors
- visits to appropriate businesses.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop their management and leadership skills.

Unit 7: Business Decision Making

Level: **3**
Unit type: **Internal set assignment**
Guided learning hours: **120**

Unit in brief

Learners use their knowledge and understanding of business concepts and processes from the mandatory content to formulate business decisions and solutions.

Unit introduction

In this unit, you will apply the knowledge and skills you have gained in other units to interpret business data and formulate appropriate decisions and solutions to business problems. You will consider business situations and scenarios where you are required to select and use appropriate evidence drawn from several sources in order to make business decisions to support a business's objectives.

Making business decisions will require you to analyse, interpret and compare business data drawn from a number of sources such as financial data, financial statements and market information. You will use appropriate business models to identify business risks and evaluate the costs and benefits of alternative solutions to a business problem. You will predict probable consequences, identify faulty arguments or misrepresentations of information or data, compare information and data, provide reasonable alternatives, and evaluate and justify your proposed solutions.

This unit will help you to understand the importance of decision making and planning in a business and enable you to progress to employment, self-employment, training or higher education. This is a controlled assessed unit and will allow you to demonstrate your ability to extract relevant information and apply the knowledge and understanding you have developed.

Assessment availability

This unit has a Pearson Set Assignment. Learners must complete a Pearson Set Assignment Brief.

Learning aims

In this unit you will:

A Examine the business principles and practices that determine business decisions

B Review and interpret business data and information

C Formulate decisions and solutions to business problems

D Prepare business documents to present business decisions.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Examine the business principles and practices that determine business decisions	**A1** Business ideas and objectives **A2** Purpose and structure of a business **A3** Business practices and operations **A4** The use of business models to aid decision making	This unit is assessed through a Pearson Set Assignment.
B Review and interpret business data and information	**B1** Sources for data collection and their presentation **B2** Techniques to analyse data effectively for business purposes	
C Formulate decisions and solutions to business problems	**C1** Analysis and interpretation of financial projections **C2** Analysis and interpretation of financial statements **C3** Creation and interpretation of a break-even chart **C4** Interpreting the outcome of investment appraisal	
D Prepare business documents to present business decisions	**D1** 'What if' scenarios and sensitivity analysis **D2** Contingency plans **D3** Use IT skills to create appropriate documentation	

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Content

Learning aim A: Examine the business principles and practices that determine business decisions

A1 Business ideas and objectives

Impact of influences in the internal and external business environments on the development of business ideas and objectives in a business organisation at different stages in its growth.

- Influences on the development of business ideas and objectives for a business 'start-up', including the interests and skills of an entrepreneur, product innovation, finding a gap in the market, current trends, likely demand.
- Influences on the development of business ideas and objectives for a developing business, including changes in the economic climate, social and economic trends, intrapreneurship, increased competition in the market, changes in the product portfolio, new markets.
- The classification of business ideas and objectives: development of new products, e.g. innovations; changes to processes, e.g. production processes; changes to systems, e.g. sales and procurement; changes to structure, e.g. changes to management responsibilities and the organisation of the workforce.
- Criteria used to justify and evaluate a business idea or objective, including costs and returns (financial and non-financial) and the contribution of a business idea to a business's objectives and long-term strategy.

A2 Purpose and structure of a business

Characteristics of the aims and objectives of a business organisation and their influence on the ownership, structure and location of the organisation.

- Aims and objectives of a business, including profit maximisation, sales maximisation, market share; brand recognition; product development, market development, diversification, efficiency savings, growth.
- Influence of the aims and objectives of a business organisation on business ownership (sole trader, partnerships and limited companies), reasons why a business may need to change its ownership, including to finance growth, to address competitive pressures in the market; business failures leading to a take-over.
- Influence of the aims and objectives on the structure of the business organisation – flat, matrix and hierarchical structures.
- Influence of the aims and objectives on the location of a business organisation – local, national, international.

A3 Business practices and operations

Operational decisions taken in relation to the activities and processes within a business organisation.

- Factors taken into account when making operational decisions in relation to:
  - human resources – including the recruitment process, wage rates, the proportion of full-time to part-time staff, conditions of employment, training methods
  - physical resources – including premises (buy or rent), the purchase of non-current assets (lease or hire purchased or buy outright), procurement practices including Just-in-Time processes
  - financial resources relating to the need for sources of finance, their features, costs and time horizons.

- Factors taken into account when making operational decisions in relation to processes:
  - Management Information Systems (MIS) and their use as data processing tools to aid operational, tactical and strategic decision making in a business
  - quality processes – the features of quality control, quality assurance and Total Quality Management (TQM); quality circles, best practice and benchmarking.
- Influence of legislation and regulations on business practice and decision making:
  - health and safety at work
  - data protection
  - employment rights and protection
  - consumer rights and protection.

  Statutes and regulations current at the time of teaching should be used. Outline understanding only is expected.

A4 The use of business models to aid decision making

The application of business models to decision making and their role in business planning, identifying and managing business risks and determining business tactics and strategy.

- The features and application of business models in the decision-making process:
  - Porter's Five Forces Analysis
  - 5Cs analysis
  - Ansoff Matrix
  - Boston Matrix
  - product life cycle.
- Purpose and features of a competitor analysis.
- Influence of economic, market and social trends on business decision making.
- Main features of a marketing plan formulated using the 7Ps marketing mix: identification of a product's USP and its target market; market segmentation (demographic, geographic, psychographic, and behavioural).

Learning aim B: Review and interpret business data and information

B1 Sources for data collection and their presentation

Sources of information and data and the ways in which they can be presented to aid decision making in business.

- Primary and secondary sources of information and the factors that need to be taken into account when storing sensitive data and information, including legal requirements.
- Interpretation of business data: line graphs, pie charts, bar charts, histograms, Scatter graphs.
- The value and limitations of using linear trend lines to extrapolate forecasts in relation to market trends.

B2 Techniques to analyse data effectively for business purposes

Techniques used in decision making to analyse business data and draw valid and logically consistent conclusions to inform operational tactics and long-term business strategy.

- Representative values: the meaning and interpretation of the mean, median and mode in a business context.
- Frequency distributions and their interpretation.
- Measures of dispersion: standard deviation for small and large samples, typical uses (statistical process: control, buffer stock levels).
- The use of quartiles, percentiles and the correlation coefficient in data analysis.

Learning aim C: Formulate decisions and solutions to business problems

C1 Analysis and interpretation of financial projections

Methods and processes used to prepare, complete, revise and analyse cash flow forecasts and sales forecasts.

- Review financial data relating to projected sales and cash flow to forecast business performance over a specific period of time; justify business decisions based on an analysis of the financial data.

C2 Analysis and interpretation of financial statements

Use of ratio analysis to analyse the performance of a business based on data extracted from its financial statements.

- Use of appropriate methods to analyse a statement of comprehensive income to predict consequences and suggest and justify solutions.
- Use of appropriate methods to analyse a statement of financial position to predict consequences and justify solutions:
  - calculation of liquidity, profitability and efficiency ratios from given data
  - interpretation of ratios calculated in relation to a business decision.

C3 Creation and interpretation of a break-even chart

Features of a break-even chart and preparation from given data.

- Methods of analysing a break-even chart to predict consequences and suggest and justify solutions relating to changes in costs, price, contribution and the margin of safety.

C4 Interpreting the outcome of investment appraisal

Reviewing the outcome of investment appraisal on proposed acquisitions of different non-current assets; recommendations in relation to the costs and benefits to the business.

- Features of different investment appraisal techniques and their application in business decision making: net present value; discounted cash flow; internal rates of return.

Learning aim D: Prepare business documents to present business decisions

D1 'What if' scenarios and sensitivity analysis

How business risks can be analysed and evaluated and the application of risk management strategy.

- Classifications of business risk: legal, reputation, financial when making final recommendations/judgements.
- The role and application of SWOT analysis (Strengths, Weaknesses, Opportunities, Threats) and STEEPLE (Social, Technological, Economic, Environmental, Political, Legal, Ethical) to identify possible threats and risks and opportunities of a proposed business decision.
- 'What if' scenarios and sensitivity analysis in relation to a proposed business decision.
- Analysis, comparison and evaluation of data to predict consequences, provide reasonable alternatives and justify solutions.
- Contribution of networking and critical path analysis, and Gantt charts, to the implementation of business decisions.

D2 Contingency plans

Role and purpose of contingency plans in reducing the business risks that may arise following the implementation of a business decision.

- Features and purpose of contingency plans.
- Processes involved in formulating contingency plans in relation to business decisions.

D3 Use IT skills to create appropriate documentation

Format of business documents required to present the outcome of a business decision.

- Format, layout and purpose of business documents: formal reports, executive summary and presentations.
- Presentations and report writing: utilisation of appropriate formats, presentation software and techniques.
- Programmes/software packages for the production and manipulation of financial information, including the generation of graphs.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Examine the business principles and practices that determine business decisions		
A.P1 Explain factors that influence the development of a business idea or objective. **A.P2** Explain factors that influence the formulation of a business idea or objective in a specific context.	**A.M1** Analyse the factors that will need to be taken into account when formulating a business decision in a given context.	**A.D1** Evaluate the relative importance of different factors that may influence the outcome of a business decision.
Learning aim B: Review and interpret business data and information		
B.P3 Extract appropriate data from a given data set to aid decision making. **B.P4** Explain the current context of a business organisation using given data.	**B.M2** Analyse the current context of a business organisation using given data.	**B.D2** Evaluate the current context of a business organisation using given data.
Learning aim C: Formulate decisions and solutions to business problems		
C.P5 Explain the main influences on business performance from a given set of data. **C.P6** Explain reasoning for formulating the outcome of a business decision.	**C.M3** Assess the relative importance of business data and information extracted from a given data set when formulating a business decision with a supported rationale.	**CD.D3** Justify a logically consistent case for the preferred outcome, and its implications, of a business organisation's strategy with a detailed, supported rationale, using a comprehensive report and concise presentation slides prepared to a professional standard.
Learning aim D: Prepare business documents to present business decisions		
D.P7 Produce a report with recommendations to aid business decision making. **D.P8** Prepare presentation slides with speaker notes, using appropriate software, to summarise key outcomes of a business decision.	**D.M4** Prepare a detailed business report, with concise presentation slides, in an acceptable business format that provides a reasoned rationale for a business decision set against other alternatives relating to the future direction of a business organisation.	

Essential information for assignments

This unit is assessed using a Pearson Set Assignment Brief. A set assignment must be used to assess learners.

Further information for teachers and assessors

Resource requirements

There are no special resources needed for this unit.

Essential information for assessment decisions

Learning aims A, B, C and D

For Distinction standard, learners must undertake a comprehensive analysis of all the options under consideration, including both quantitative and qualitative factors. Quantitative factors should include relevant calculations such as financial ratios, and the impact on the business decision should be articulated clearly. Learners should present a well-formulated risk analysis for each of the options, which should take account of the prevalent factors in both the internal and external business environments. For example, internal factors may include a commentary on the robustness of the financial data presented by the business and its associated business objectives. External factors would be drawn from the material presented in the controlled assignment and could include market trends, competitive pressures or potential opportunities for business growth. Learners must submit a formal business report that has a logical structure, contains no communication errors and uses appropriate terminology throughout. Learners provide a comprehensive coverage of key factors, risks and alternative approaches in context and linked to business objectives. Learners demonstrate an understanding of a complex range of resource implications applied to the context. Forecasts are applied to the context and are detailed and accurate. References are made throughout to the case study that are relevant and supported by appropriate evidence. Forecasts will demonstrate interpretations of a range of financial concepts and principles, which are applied to the context, detailed and accurate. Presentation slides must be accurate and well laid out with speaker notes clearly providing a clear rationale for the decision made, which is based on sound business principles and supported by in-depth analysis.

For Merit standard, learners must prepare a detailed analysis of the options under consideration, including both quantitative and qualitative factors. Quantitative factors should include calculations of appropriate financial data and show a good understanding of how the results of these calculations impact on each of the options under consideration. Learners will show a good understanding of the potential risks associated with each of the options, which will be linked to some of the main factors drawn from the operating environment outlined in the controlled assignment. Learners must prepare business documentation that has a logical structure, contains few communication errors and includes a range of relevant management principles. Learners must show a clear understanding of the link between key factors, risks and alternative approaches linked to the context. Learners must demonstrate an understanding of a range of resource implications, which are applied to the context and are detailed and accurate. The learner will show some understanding of how business forecasts can be applied to the decision-making process. Presentation slides and speaker notes provide a well-argued case for recommending one of the options identified in the controlled assignment.

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For Pass standard, learners must review each of the options under consideration by performing calculations of the main quantitative factors that may impact on each of the options. Learners will show their understanding of the application of the formulae associated with some of the main financial performance ratios. Most of the calculations will be accurate and learners are expected to show their workings. Learners will draw general conclusions from a basic analysis of the data and information including reference to some of the factors identified in the business's operating environment, although the impact of these factors may not be fully explored. Learners will identify some of the main risks of each of the options although the potential impact of these risks will not be fully analysed. Learners must prepare a formal business report that has a basic structure with only minor communication errors and provides evidence of an attempt to apply relevant business concepts. Learners must provide some key facts, risks and alternative approaches that are relevant to the context. Learners must demonstrate an understanding of the resource implications of business decisions with some application to the context and with appropriate evidence to support some of the points made. Presentation slides are basic and are supported by general speaker notes. Learners present a basic rationale to support the outcome of a business decision.

Assessment controls

Time: this assignment has a recommended time period. This is for advice only and can be adjusted depending on the needs of learners.

Supervision: you should be confident of the authenticity of learner's work. This may mean that learners be supervised.

Resources: all learners should have access to the same types of resources to complete the assignment.

Research: learners should be given the opportunity to carry out research outside of the learning context if required for the assignment.

Links to other units

This unit links to *Unit 3: Business Finance.*

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop problem-solving skills.

Unit 8: Human Resources

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners develop knowledge and skills in human resource planning and management.

Unit introduction

Effective human resource management, including recruitment and selection, is essential to the success of a business. It is important that the processes and procedures involved in human resource management meet the needs of the business and comply with current regulations. This will include understanding the importance of motivating employees and gaining their cooperation and commitment to the business.

In this unit, you will learn the importance of human resource management and planning, the relationship between a motivated workforce and business success, and the processes and procedures involved in recruiting, training and appraising the performance of employees.

This unit will give you a foundation for progression to employment, for example in a human resources role, or to higher education. You will have an opportunity to review the human resource practices in a large organisation, which will enable you to better understand how performance is managed.

Learning aims

In this unit you will:

A Explore factors that can impact human resource planning in business

B Examine methods of managing employee performance and how motivation impacts on business performance

C Examine how effective recruitment and selection contribute to business success.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Explore factors that can impact human resource planning in business	**A1** Human resources (HR) **A2** Human resource planning	Learners research and report on human resource planning and workforce motivation to improve business performance, for a given business scenario and the recruitment process in a large business.
B Examine methods of managing employee performance and how motivation impacts on business performance	**B1** Motivation in the workplace **B2** Training and development **B3** Performance appraisal	
C Examine how effective recruitment and selection contribute to business success	**C1** Recruitment of staff **C2** Recruitment and selection processes **C3** Ethical and legal considerations in the recruitment process	

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Content

Learning aim A: Explore factors that can impact human resource planning in business

A1 Human resources (HR)

Definition, function and features of the human resources process.

- Human resources as a factor of production.
- Features of the human resources process including:
  - labour market analyses
  - forecasting labour demand.
- Sources of information available to conduct labour market analyses.
- The link between business planning and human resources.
- The impact of globalisation on human resource planning.

A2 Human resource planning

Features and characteristics of the human resource planning process.

- Factors involved in human resource planning, including:
  - nature of the work, demand for products or services, skills requirements and shortages, location, labour market competition
  - workforce profiles, e.g. skills level, ability, educational level, aptitude, need for flexibility in the workforce, core versus peripheral workers, skills transferability
  - types of contract, e.g. full-time versus part-time, subcontracting, zero-hours contracts, temporary staff, agency staff
  - labour turnover (expressed in words and numbers), productivity.
- Management actions to address human resource issues at an operational level, including workplace stress, absenteeism (expressed in words and numbers), motivation, engagement with business culture, employee satisfaction.
- Techniques to meet skills requirements, including:
  - recruitment
  - upskilling/reskilling/training
  - outsourcing
  - changing job roles
  - restructuring.
- Purpose of induction to integrate new employees into role, including:
  - internships
  - work experience
  - internal recruitment
  - secondments.
- Using exit interviews to improve employee retention and reduce turnover.
- Reviewing effectiveness of human resource practices.

Learning aim B: Examine methods of managing employee performance and how motivation impacts on business performance

B1 Motivation in the workplace

Key principles and theories of motivation and how these impact on business performance.

- Theories of motivation, e.g. Maslow, F Herzberg, F W Taylor, E Mayo, et al.
- Impact of motivation on business performance.
- Reward systems, including financial and non-financial motivators, e.g. performance-related pay, pension schemes, company vehicles, flexible working, healthcare, career breaks.

B2 Training and development

- The purpose of training needs analysis.
- Types of training including:
  - internal/external
  - on-the-job/off-the-job
  - mentoring
  - coaching.
- Effectiveness of training, e.g. quality of work, customer satisfaction, employee motivation.

B3 Performance appraisal

Features of managing employee performance and the importance of meeting expected standards.

- Purpose of performance appraisal:
  - to set individual and group targets
  - to assess individual and group performance
  - to provide employee feedback
  - to identify training needs.
- Types of appraisal:
  - self-assessment
  - management by objectives
  - ratings scales
  - 360° appraisal.
- Impact of performance appraisal:
  - on the individual
  - on the business.

Learning aim C: Examine how effective recruitment and selection contribute to business success

C1 Recruitment of staff

Workforce planning for large 250+ staff business organisations, e.g. retail, a production company or financial business.

- Reasons for recruiting new staff:
  - growth of the business– locally, nationally, globally
  - changing job roles
  - systems change
  - filling new vacancies created by more space or product development
  - vacancies caused by leavers/turnover of staff
  - internal promotions
  - new office or branch and need for additional staff
  - seasonal fluctuations leading to the requirement for temporary staff.
- Use of government agencies, internal advertisements versus external advertisements, online recruitment and traditional methods.
- Link between recruitment processes and business success.
- Link between professional recruitment processes and efficient staff integration.

C2 Recruitment and selection processes

- Recruitment process – the purpose and characteristics of documents for internal and external recruitment:
  - job advertisement – placing of the advertisement, internal/external, journal/website
  - job analysis
  - job description – the content of the tasks and responsibilities of the job
  - person specification and skills the position requires – are they essential or desirable?
  - CV versus application forms
  - letter of application
  - online recruitment.
- Cost effectiveness of different application approaches, e.g. paper-based, online.
- Selection, including assessment centres and psychometric testing, group/team activity interviews (by telephone, face to face, group and panel), presentations in interviews, short tests at interviews:
  - interview protocol, type of selection and how it contributes to the process – advantages and disadvantages
  - initial selection processes with telephone screening interviews or short, online tests, appreciation that different processes are appropriate for different roles in a business
  - use of technology in the process, online applications, uploaded CVs or use of post
  - communication with prospective employees: are the channels easy to access, can the process be monitored?
  - quality of the process and the documents
  - linking the process to efficiency and business success.

C3 Ethical and legal considerations in the recruitment process

Importance of adhering to local employment legislation and ethical practices.

- Ethical considerations, including:
  - being honest in an advertisement
  - the maintenance of confidentiality
  - fairness through standard questions asked to all candidates interviewed
  - same criteria used for all applicants
  - disclosure if family or friends work for the same business.
- Legislation including:
  - current right-to-work legislation, document check
  - other employment legislation, e.g. UK Equality Act (2010), equal opportunities regardless of gender, age, race, disability; wage-related legislation, e.g. minimum wage
  - problems associated with non-compliance.

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Assessment criteria

Pass	Merit	Distinction
Learning aim A: Explore factors that can impact human resource planning in business		
A.P1 Explain the processes involved when a large business organisation plans its human resources. **A.P2** Explain methods used to review human resource practices in a business organisation and the importance to business planning.	**A.M1** Analyse the importance to business success of effective human resource processes and planning.	**A.D1** Evaluate the effectiveness of different human resource methods and processes in relation to business success.
Learning aim B: Examine methods of managing employee performance and how motivation impacts on business performance		
B.P3 Explain the links between motivation and business performance. **B.P4** Explain the ways a business organisation can motivate its employees.	**B.M2** Assess ways to increase motivation and improve business performance.	**B.D2** Evaluate the link between effective strategies for motivation and business performance.
Learning aim C: Examine how effective recruitment and selection contribute to business success		
C.P5 Explain how a large business recruits and selects human resources giving reasons for their processes. **C.P6** Explain how and why a business organisation adheres to recruitment processes that are ethical and comply with current employment law.	**C.M3** Analyse the importance to business performance of different recruitment and selection methods and processes used in a large business organisation.	**C.D3** Evaluate the recruitment and selection processes used in a large business organisation and how they contribute to the success of the business.

Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, B.P4, A.M1, B.M2, A.D1, B.D2)

Learning aim: C (C.P5, C.P6, C.M3, C.D3)

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Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to a range of current business information from websites and printed resources.

Essential information for assessment decisions

Learning aims A and B

For Distinction standard, learners will be expected to prepare a critical evaluation of the importance of human resource management for business improvement, making appropriate judgements and presenting fully justified recommendations. They will demonstrate an in-depth understanding of theories and concepts of motivation, and ways employers can motivate staff to ensure business success.

For Merit standard, learners will demonstrate knowledge and understanding of a broad range of factors that influence human resource planning and increase motivation in a business scenario. The learner will apply motivation theory, making justified recommendations for improving business performance.

For Pass standard, learners will demonstrate knowledge and understanding of the concepts of the challenges faced by businesses and how these have influenced the management of human resources. They will apply motivational theories, and show understanding of the factors influencing management and performance of the workforce and their application in the workplace. They will show an understanding of the link between staff motivation and business success.

Learning aim C

Learners will write a report that includes information about how a business recruits employees. A large business of 250+ employees will be used as not all small businesses have a transparent, easily-accessible recruitment system. To ensure the material they require is available, learners could research a few businesses before they select one for study.

Recent and relevant ethical and legal considerations must be stated in the report. The individual report must be written in appropriate business language.

For Distinction standard, learners will evaluate the recruitment processes, reach a reasoned conclusion and make insightful reference to how it is linked to the success of a selected business. The report will consider the problems that can impact on a business if there are staff shortages or if unsuitable employees are selected due to ineffective recruitment systems.

For Merit standard, learners will analyse the different recruitment methods, looking at the strengths and weaknesses of the systems in place.

For Pass standard, learners will examine the factors for workforce planning and the reasons why businesses need to recruit additional employees. The report must demonstrate an understanding of the recruitment methods and why the different processes are used. Learners will indicate whether external bodies and/or agencies contribute to the process of assessment or interviewing, highlighting their specific contribution to the practice. The report will show a clear understanding of the importance of sequencing in the recruitment process and the use of technology/ new technologies in this field.

Links to other units

This unit links to:

- Unit 1: Exploring Business
- Unit 6: Principles of Management
- Unit 9: Team Building in Business
- Unit 21: Training and Development.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- participation in audience assessment of presentations
- design/ideas to contribute to unit assignment/case study/project materials
- work experience
- business materials as exemplars
- support from local business staff as mentors.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop human resource management skills.

Unit 9: Team Building in Business

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners study the dynamics of team building, examine the underpinning theory and participate in team activities.

Unit introduction

The importance of teams that perform well cannot be underestimated. It is generally accepted that successful businesses have effective teams in place. An effective team is one that is led and managed well. The team is also motivated, well-briefed, and communicates well.

In this unit you will learn how successful businesses draw on effective teams. For example, Formula One® motor racing relies on excellent teamwork, which is modelled by many businesses. A team allows its members to use their collective strength and to share ideas, perspectives and experiences. You will learn that nearly all individuals in a business belong to one or more groups or teams that contribute to the overall corporate strategy of the business. You will learn the different roles within a team and the importance of establishing a shared vision when making collaborative decisions.

In this unit you will get to work in, and lead, a team. The unit and the team activities will give you the practical tools you need to support and lead a team. It develops key employability skills and will be useful both in the workplace and in your studies.

Learning aims

In this unit you will:

A Examine the benefits of teams in a business setting

B Investigate techniques and theories used for the development of an effective business team

C Develop effective team skills through practical activities.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Examine the benefits of teams in a business setting	**A1** The difference between a group and a team **A2** Types and purposes of business teams **A3** Characteristics and benefits of an effective team	A report that examines teams in business settings. It should consider types of teams and their purpose, and the benefits of these teams to the businesses. A report that examines the effectiveness of a real team in a business setting. It should reflect on team theories, and make recommendations for improvements to the team.
B Investigate techniques and theories used for the development of an effective business team	**B1** Team-building techniques **B2** Theories of team development **B3** Causes of team conflict	
C Develop effective team skills through practical activities	**C1** Being an effective team member **C2** Being an effective team leader	The evidence will focus on what went well and what did not in the team activities. Learners should evaluate and self-critique their performance in a team, the development of their skills, and evaluate the effectiveness of the team.

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Content

Learning aim A: Examine the benefits of teams in a business setting

A1 The difference between a group and a team

- Definitions of a group and a team.

A2 Types and purposes of business teams

- Structure: formal, informal.
- Size: small, large.
- Type: temporary, permanent, remote/virtual, horizontal or vertical.
- Purpose: to achieve goals, increase efficiency and productivity, to be innovative.

A3 Characteristics and benefits of an effective team

- Characteristics:
  - sense of purpose
  - prioritisation of team goal
  - members have clear roles
  - clear lines of authority and decision making
  - conflict dealt with openly
  - personal traits appreciated and utilised
  - group norms set for working together
  - success shared and celebrated
  - trained and skilled members
  - good interpersonal relationships
  - all have opportunity to contribute.
- Benefits:
  - contribution to the productivity and effectiveness of the business
  - development of a common purpose
  - clarification of roles
  - reduction of alienation
  - sharing of expertise
  - identification and development of talent
  - increased motivation
  - fostering innovation
  - stretching people's talents.

Learning aim B: Investigate techniques and theories used for the development of an effective business team

B1 Team-building techniques

- Team membership and roles: team members have the required technical and role-based skills, leadership is established, clear lines of authority.
- Purpose and goal: purpose is communicated and agreed, all team members working towards a common goal, collaborative decision-making, responsibility for tasks.
- Communication:
  - vision/objectives/targets are shared
  - work proceeds more smoothly and efficiently
  - cooperation among team members is enhanced
  - feedback is encouraged
  - openness and trust are promoted
  - good work ethics and mutual respect are established
  - team is led by example
  - members are encouraged to deal with challenges without complaining
  - members support and respect each other.
- Rewards:
  - regular positive and supportive feedback
  - acknowledgement and recognition of team and individual success.

B2 Theories of team development

- Belbin's nine team roles: identification of people's behavioural strengths and weaknesses in the workplace to provide a balanced team, contributions and allowable weaknesses of each role.
- Tuckman's four stages of team development: the link between the relationships in the group and the focus on the task.

B3 Causes of team conflict

- Importance of group/team dynamics.
- Bell and Hart's eight causes of conflict: conflicting resources, conflicting work styles, conflicting perceptions, conflicting goals, conflicting pressures, conflicting roles, different personal values, unpredictable policies.
- Non-compliance with rules and policies: personal non-compliance or disregard for company policy by colleagues (discriminatory behaviour, unacceptable language, poor attendance and timekeeping).
- Misunderstandings: poor communication leading to misunderstandings.
- Competition/rivalry: competition instead of collaboration, anti-productive behaviour.

Learning aim C: Develop effective team skills through practical activities

C1 Being an effective team member

Skills:

- objective setting, common purpose
- trust and respect for all
- feedback: to be able to give and receive
- interpersonal and communication skills
- motivation
- responsibility
- clarifying objectives, agreeing tasks, working towards a common purpose.

C2 Being an effective team leader

Skills:

- objective setting, common purpose
- motivation of others
- integrity
- managing aspirations and talent
- resolution of conflict
- leadership style.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Examine the benefits of teams in a business setting		
A.P1 Explain the purpose of a given team in a chosen business. **A.P2** Explain the characteristics of a given team in a chosen business.	**A.M1** Assess how and why a given team will benefit a chosen business.	**A.D1** Justify how and why a given team will benefit a chosen business.
Learning aim B: Investigate techniques and theories used for the development of an effective business team		
B.P3 Discuss the roles in an existing team at a chosen business, giving clear links and references to a recognised theorist. **B.P4** Discuss the dynamics of an existing team and how they work towards their goals.	**B.M2** Analyse the roles and dynamics of an existing business team and make recommendations for improvements to its cohesiveness.	**B.D2** Evaluate the effectiveness of an existing business team, including overall team performance, individual performance and leadership, linking to theory.
Learning aim C: Develop effective team skills through practical activities		
C.P5 Show the ability to work as a team leader and team member through active participation in team activity. **C.P6** Reflect on your own effectiveness in team activities and use feedback to plan improvement in performance.	**C.M3** Work efficiently as a member of a team and as a team leader and use feedback to assess how conflict was managed.	**C.D3** Demonstrate initiative, self-management and creativity in the professional development of team skills.

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Essential information for assignments

The recommended structure of assessment is shown in the unit summary along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, B.P4, A.M1, B.M2, A.D1, B.D2)

Learning aim: C (C.P5, C.P6, C.M3, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to a range of current business information from websites and printed resources.

Essential information for assessment decisions

Learners will individually select a team of their choice.

Learning aims A and B

For Distinction standard, learners will give examples of the types and purposes of business teams and the challenges in building an effective team. To support the evaluation, learners will use examples from their chosen business and from other businesses. They will evaluate the performance and leadership of their chosen team, linking relevant theory and including how the team works together.

For Merit standard, learners will demonstrate clear analysis of the range of techniques used to build effective teams. Some of this analysis should be gained from a visit or interview. The report will analyse how the roles in a team support the outcomes of the effective team and this should be referenced to theory.

For Pass standard, learners will explain the purpose and characteristics of the chosen team and they will discuss the roles and dynamics of a team in their chosen business, and how teams are used in a variety of ways. This will include reference to different types of teams. Team-building techniques and the theory of team development will be included in the report.

Learning aim C

Learners will participate in substantial team activities. Team activities will be full-day events or carried out in several sessions over a short time. Learners will have an opportunity to both lead a team and be a team member. Detailed peer and assessor observation/feedback sheets and an individual learner logbook will be completed so that information is available for review.

For Distinction standard, learners will demonstrate a professional approach throughout the unit; they will have shown self-management together with initiative and creativity in their research and teamwork. An independent approach is one where a learner develops their own ideas or develops ideas in distinctive ways. They will demonstrate a professional approach to teamwork, and an attention to detail and precision throughout their work. A witness statement will be needed to support this.

For Merit standard, learners will assess their individual performance both as team members and as team leaders. Learners will need to explain how conflict was managed.

For Pass standard, learners will reflect on their skills, both as team members and as team leaders. Learners will explain how they dealt with situations that arose during the activities in which they participated.

Links to other units

This unit links to:

- Unit 4: Managing an Event
- Unit 6: Principles of Management
- Unit 8: Human Resources
- Unit 21: Training and Development.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- design/ideas to contribute to unit assignment/case study/project materials
- work experience
- business materials as exemplars
- support from local business staff as mentors.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop team-building skills.

Unit 10: Recording Financial Transactions

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners explore how and why financial transactions are recorded as well as checking bank records and dealing with errors.

Unit introduction

The accounting or bookkeeping system is the process that provides all the information for the final accounts of a business. It is essential that accounting records are clear, concise and accurate.

In this unit, you will complete a set of accounts for a typical business. You will learn how source documents are recorded in the accounts, how to record this information into double entry ledger accounts and extract a trial balance. You will consider the importance of keeping accurate financial records, including the legal and professional obligations of a business relationship with stakeholders and the risk of fraud. You will also learn how control mechanisms such as bank reconciliation, and how control accounts are prepared and used to help keep accurate financial records. You will examine how and why errors may occur in the financial records of a business and make the necessary corrections. You will consider how these errors affect the financial statements for the business as well as understanding the wider implications of errors and inaccurate financial records for the success of a business.

This unit provides a useful opportunity to gain the practical and professional skills of working in an accounting environment, which will enable you to decide if you want to progress to further study or training in this area.

Learning aims

In this unit you will:

A Undertake the accurate recording of financial transactions using the double entry accounting system

B Carry out bank reconciliation as a function of accurate financial control

C Construct control accounts for trade receivables and trade payables for accurate financial control

D Examine the correction of errors in accounting records for financial control.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Undertake the accurate recording of financial transactions using the double entry accounting system	**A1** Importance of accurate records **A2** Financial documents **A3** Types of transactions **A4** Double entry system **A5** Books of original entry **A6** Double entry ledger accounts and cash books **A7** The trial balance	A detailed assessment of the importance of keeping accurate financial records. Draw up books of original entry and make entries from a given set of transactions for a business, including purchase, sales, returns, cash and bank transactions. Draw up double entry accounts from a given set of transactions for a business and extract the trial balance. Draw up and make entries to a bank reconciliation statement from a given set of financial data for a typical business. Write a report to analyse the importance of bank reconciliation statements.
B Carry out bank reconciliation as a function of accurate financial control	**B1** Need for bank reconciliation **B2** Completion of bank reconciliation **B3** Importance of bank reconciliation	
C Construct control accounts for trade receivables and trade payables for accurate financial control	**C1** Definition and purpose of control accounts **C2** Preparation and calculation of control accounts **C3** Correction of errors in the control accounts and the schedule of trade receivables and trade payables	Prepare and make entries in the 'total trade receivables' and 'total trade payables' accounts from a given set of financial transactions. Identify and correct errors in the control accounts and schedule of trade receivables and trade payables from given set of errors. Write a report to evaluate the benefits of control accounts. Write a report to examine and explain errors affecting a typical accounting system. Draw up a journal and suspense account, make entries to correct errors from a given set of errors. Table or list calculations to show how errors have changed the final accounts. Write a report to assess how and why errors have affected financial statements. Write a report to evaluate the implications of errors and inaccurate financial records.
D Examine the correction of errors in accounting records for financial control	**D1** Identification and explanation of different types of errors **D2** Correction of errors not affecting the trial balance **D3** Correction of errors and suspense accounts **D4** The effect of errors on financial statements	

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Content

Learning aim A: Undertake the accurate recording of financial transactions using the double entry accounting system

A1 Importance of accurate records

- Importance of accurate financial record keeping, including: audits, comply with concepts, measuring performance, legal obligations, risk of fraud, professional responsibility, security, reputation, tax liability, stakeholder confidence.

A2 Financial documents

- Purpose of source documents, including: cash receipt, cheque, purchase order, delivery note, invoice, goods received note, credit note, debit note, statement of account, remittance advice.
- Types of discounts available to customers.

A3 Types of transactions

- Including: cash, bank, credit card, debit card, credit transactions, clearing and settlement of automated payment methods, direct debit, internet banking and online security implications.

A4 Double entry system

- The double entry bookkeeping and accounting equation, layout of a ledger account ('T' account).

A5 Books of original entry

- Purpose and completion of day books and journals, including: sales day book, sales returns day book, journal, purchases day book, purchase returns day book. NOTE: the journal should include the purchase and disposal of non-current assets, depreciation and irrecoverable debts only (i.e. not the recording of errors).

A6 Double entry ledger accounts and cash books

- Purpose and completion of double entry accounts, including all those in the following ledgers: sales ledger (all personal trade receivable accounts), purchase ledger (all personal trade payable accounts), cash book (cash, bank, discount allowed, discount received), general ledger (all other accounts).
- Balancing all ledger accounts accurately to show total columns, balance carried down (c/d) and balance brought down (b/d).

A7 The trial balance

- Prepare a trial balance from a set of double entry ledger accounts.
- Why the debit and credit trial balances should equal one another, link between the trial balance and financial statements.

Learning aim B: Carry out bank reconciliation as a function of accurate financial control

B1 Need for bank reconciliation

- Reasons why the cash book (bank column) balance differs from the bank statement, including timing, receipts credited by the bank, payments debited by the bank, transaction errors, balancing errors, banking security procedures.

B2 Completion of bank reconciliation

- Complete appropriate bank reconciliation examples, following steps.
- Unusual items, including out-of-date cheques, dishonoured cheques, stopped cheques, bank errors, bank charges and interest.

B3 Importance of bank reconciliation

- Reasons for bank reconciliation for control purposes, including correction of errors and omissions, correct entry in trial balance, queries to suppliers and/or customers, late-presented cheques, segregation of duty, and fraud.

Learning aim C: Construct control accounts for trade receivables and trade payables for accurate financial control

C1 Definition and purpose of control accounts

- The benefits of control accounts, including: deterrent against fraud, 'mini' trial balance for trade receivables and trade payables, tracking what is owed to trade receivables and by trade payables, division of responsibility, locating errors.

C2 Preparation and calculation of control accounts

- Purpose of control accounts for trade receivables and trade payables.
- Make entries to the control accounts, including: balances b/d, returns, sales and purchases, receipts and payments, discounts, irrecoverable debts, dishonoured cheques, interest on overdue amounts, refunds, contra entries.

C3 Correction of errors in the control accounts and the schedule of trade receivables and trade payables

- Identification and correction of errors by updating (revising) the control account.
- Preparation of a reconciliation statement of the control account(s) balance with the schedule(s) of trade receivables' and/or trade payables' personal accounts.

Learning aim D: Examine the correction of errors in accounting records for financial control

D1 Identification and explanation of different types of errors

- Transposition, omission, principle, compensating, reversal, original entry, commission.

D2 Correction of errors not affecting the trial balance

- Make journal entries to show how the error must be corrected and complete a narrative to identify and explain the type of error.

D3 Correction of errors and suspense accounts

- Make journal entries to show how the error must be corrected and complete a narrative to identify and explain the type of error, open and post entries to a suspense account where appropriate.

D4 The effect of errors on financial statements

- Preparation of a revised profit statement to show how errors have altered financial statements.
- Analysis of how errors affect a business, including financial and non-financial factors.

Assessment criteria

<table>
<tr><th>Pass</th><th>Merit</th><th>Distinction</th></tr>
<tr><td colspan="2">Learning aim A: Undertake the accurate recording of financial transactions using the double entry accounting system</td><td rowspan="4">AB.D1 Evaluate the importance of accuracy in the double entry process and bank reconciliation for accurate financial control.</td></tr>
<tr><td>A.P1 Record straightforward financial transactions from different sources in the books of original entry.
A.P2 Complete straightforward double entry accounts and extract a trial balance using a given set of financial transactions.</td><td>A.M1 Complete records for a given set of complex financial transactions using books of original entry, double entry accounts and extract a trial balance.</td></tr>
<tr><td colspan="2">Learning aim B: Carry out bank reconciliation as a function of accurate financial control</td></tr>
<tr><td>B.P3 Accurately prepare a straightforward bank reconciliation statement for financial control.</td><td>B.M2 Accurately prepare a complex bank reconciliation statement for financial control.</td></tr>
<tr><td colspan="2">Learning aim C: Construct control accounts for trade receivables and trade payables for accurate financial control</td><td rowspan="2">C.D2 Evaluate the importance of control mechanisms in the accurate recording of financial transactions.</td></tr>
<tr><td>C.P4 Accurately prepare control accounts using a given set of financial transactions for financial control.</td><td>C.M3 Analyse control and personal accounts to correct errors for financial control.</td></tr>
<tr><td colspan="2">Learning aim D: Examine the correction of errors in accounting records for financial control</td><td rowspan="2">D.D3 Evaluate the effect and impact of errors in accounting records on the final accounts for a given business.</td></tr>
<tr><td>D.P5 Explain the types of error that occur in accounting records.
D.P6 Record straightforward journal entries which do not involve a suspense account to support the correction of errors fora given set of financial transactions.</td><td>D.M4 Record complex journal and suspense account entries accurately to support the correction of errors and prepare a revised profit statement.</td></tr>
</table>

Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, A.M1, B.M2, AB.D1)

Learning aims: C and D (C.P4, D.P5, D.P6, C.M3, D.M4, C.D2, D.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to a range of current business information from websites and printed resources.

Essential information for assessment decisions

Learning aims A and B

Complex financial transactions must include the following: sales and purchase returns, discount allowed and received, depreciation entries (amount should be given), irrecoverable debts.

Complex bank reconciliation entries must include: dishonoured and stopped cheques, out-of-date cheques, bank interest, using a cash book and/or bank statement which is overdrawn.

For Distinction standard, learners will produce a written report that evaluates the importance of accurate reporting and recording of financial transactions, including bank reconciliation, to ensure accurate financial control.

For Merit standard, learners will record more complex financial transactions from the whole range of books of original entry. They will then produce a more comprehensive set of double entry ledger accounts and extract a trial balance from a given set of documents and financial records. In addition, learners will produce complex bank reconciliation from a given set of business documents and financial records

For Pass standard, learners will record financial transactions from a number of different books of original entry; complete double entry accounts and extract a trial balance from a given set of documents and financial records. They will accurately prepare straightforward bank reconciliation from a given set of financial records.

Learning aims C and D

For Distinction standard, learners will produce a written report evaluating the importance of control mechanisms in the accurate recording of financial transactions. Types of errors will be identified and learners will evaluate the implications of these errors and inaccurate financial records in terms of the success of the given business. Learners will show consistent accuracy, individuality and independence in their presented assessment evidence.

For Merit standard, learners will identify and correct complex errors in both the control accounts and the schedule of trade receivables and trade payables, and analyse the benefits of control accounts in ensuring financial control. Learners will show analysis of the effect of errors in accounting records on final accounts.

For Pass standard, learners will produce written evidence explaining the types of errors that occur in accounting records. Learners will also produce simple control accounts not requiring suspense accounts for trade receivables and trade payables from a given set of transactions, together with a revised set of accounts showing their ability to identify and correct given errors. Learners will record journal entries to support the correction of errors.

Links to other units

This unit links to:

- Unit 3: Business Finance
- Unit 7: Business Decision Making
- Unit 11: Financial Statements for Public Limited Companies
- Unit 12: Financial Statements for Specific Businesses
- Unit 13: Cost and Management Accounting.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- design/ideas to contribute to unit assignment/case study/project materials
- work experience
- business materials as exemplars
- support from local business staff as mentors.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop bookkeeping skills.

Unit 11: Financial Statements for Public Limited Companies

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners will develop an understanding of the importance of completed and well-analysed financial statements for limited companies.

Unit introduction

In this unit, you will gain a thorough understanding of why financial statements are prepared in the way they are. You will cover end-of-year financial statements for limited companies, learn about the importance of the information contained in them, and how this can be used by interested stakeholders. You will also consider the importance of complying with accounting concepts and standards so that financial statements are prepared accurately and consistently.

You will learn how an analysis of a business's statement of cash flows can help to identify the amount of cash available from one accounting period to another, and enable users to understand why a large profit does not necessarily result in an abundance of cash. You will consider the importance of ratio analysis in helping shareholders and potential investors to make decisions about the likely future success of a limited company.

This unit will help you to progress to an accounting apprenticeship or to one of the higher education routes in business and financial management.

Learning aims

In this unit you will:

A Examine the end-of-year financial statements for a public limited company

B Explore the statement of cash flows of a public limited company

C Undertake shareholder ratio analysis for public limited company accounts.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Examine the end-of-year financial statements for a public limited company	**A1** Accounting concepts **A2** Accounting standards **A3** Accounting adjustments **A4** End-of-year financial statements **A5** Analysis and interpretation of end-of-year financial statements	A report to explain the accounting concepts and standards to be followed when preparing end-of-year financial statements. Calculation of end-of-year adjustments and completion of the end-of-year financial statements for a public limited company. A report to assess and apply the relevant concepts and standards to the end-of-year financial statements. A written evaluation of the significance of the financial statements to different stakeholders of the public limited company. A report to explain the purpose of a statement of cash flows and shareholder ratios. Calculation and preparation of a public limited company statement of cash flows in accordance with the format for publication. A written analysis of the statement of cash flows. A written evaluation of the financial position of the public limited company. Calculation of specified shareholder ratios. An oral presentation to analyse the ratio results. A written evaluation of the financial position of the two limited companies.
B Explore the statement of cash flows of a public limited company	**B1** Purpose of a statement of cash flows **B2** Completion of a statement of cash flows **B3** Changes to cash flow	
C Undertake shareholder ratio analysis for public limited company accounts	**C1** Definition and purpose of shareholder ratios **C2** Calculation of shareholder ratios **C3** Merits and drawbacks of shareholder ratios **C4** Ratio analysis	

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Content

Learning aim A: Examine the end-of-year financial statements for a public limited company

A1 Accounting concepts

- Definition and application of the accounting concepts: materiality, realisation, going concern, business entity, duality, consistency, historical cost, other payables (matching), money measurement, prudence, application to the end-of-year financial statements for public limited companies.
- Importance of the accounting concepts listed above when preparing limited company accounts.
- Importance of accounting principles: relevance, reliability, comparability and understanding of the financial statements of public limited companies.

A2 Accounting standards

- Rationale and purpose for accounting standards, including international and national, e.g. International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), Generally Accepted Accounting Principles (GAAP).
- Definition and application of the following international accounting standards (IAS): IAS1 (presentation of financial statements), IAS7 (statement of cash flows), IAS2 (inventories), IAS3 (accounting policies, changes in accounting estimates and errors), IAS10 (events after reporting period), IAS 16 (property, plant and equipment), IAS 37 (provisions, contingent liabilities and contingent assets), IAS 38 (intangible assets), IFRS (fair value measurement).
- Importance of the standards listed above.

A3 Accounting adjustments

- Explanation and calculation of the following adjustments to limited company accounts: depreciation of non-current assets (straight line and reducing balance method), revaluation of non-current assets, irrecoverable debts, accrued and prepaid expenses and revenues, provision for doubtful debts, loan and/or debenture interest, Corporation Tax, transfer to reserves, preference and/or ordinary share dividends.

  NOTE: Corporation Tax and reserves will be given entries and not require calculation.
- Application and explanation of relevant accounting concepts and standards.

A4 End-of-year financial statements

- The calculation and preparation of a statement of comprehensive income (profit and loss account; income statement), appropriation account and a statement of financial position (balance sheet) for public limited companies in accordance with the format for publication.
- The statements to include the adjustments in A3.
- Application and explanation of relevant accounting concepts and standards.

A5 Analysis and interpretation of end-of-year financial statements

- The differing requirements of information for user groups (stakeholders), including shareholders, customers, suppliers, employees, directors, managers, potential investors, government, lenders, public and environmental groups.

Learning aim B: Explore the statement of cash flows of a public limited company

B1 Purpose of a statement of cash flows

- Definition of a statement of cash flows.
- Purpose of a statement of cash flows, including: use of funds, analysis of liquidity, relationship to other financial statements, difference between cash and profit, sources of finance, comparison with previous accounting periods.

B2 Completion of a statement of cash flows

- The calculation and preparation of a statement of cash flows in accordance with the format in IAS7.
- Reconciliation of operating profit to net cash flow from operating activities.
- Application and explanation of relevant accounting concepts and standards.

B3 Changes to cash flow

- Explanation and analysis of the changes in cash flow as shown in the statement of cash flows from one accounting period to another.

Learning aim C: Undertake shareholder ratio analysis for public limited company accounts

C1 Definition and purpose of shareholder ratios

- Definition, formula and purpose of the following shareholder ratios: dividend per share, dividend yield, earnings per share, dividend cover, price/earnings ratio, gearing ratio.

C2 Calculation of shareholder ratios

- Workings and calculation of the shareholder ratios listed in C1 for two separate public limited companies in the same industry.

C3 Merits and drawbacks of shareholder ratios

- Consideration of the merits of shareholder ratios using the calculations from C2, including comparison to previous accounting periods, comparison to firms in same industry, comparison with alternative investment opportunities.
- Consideration of the drawbacks of shareholder ratios using the calculations from C2, including historical data, time lags, external factors/shocks, basis of comparison, degree of risk in investment opportunities, importance of non-financial factors.

C4 Ratio analysis

- Comparison and analysis of the ratios calculated in C2 to ascertain the overall financial position of public limited companies for existing and prospective shareholders.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Examine the end-of-year financial statements for a public limited company		**A.D1** Evaluate the significance of financial statements to different stakeholders of a public limited company.
A.P1 Outline and apply accounting concepts and standards. **A.P2** Calculate adjustments to public limited company accounts. **A.P3** Prepare end-of-year financial statements for public limited companies.	**A.M1** Discuss and assess relevant accounting concepts and standards used in the preparation of the financial statements for a public limited company.	
Learning aim B: Explore the statement of cash flows of a public limited company		**B.D2** Evaluate the financial position of the limited company for current stakeholders, using the statement of cash flows.
B.P4 Explain the purpose of a limited company's statement of cash flows. **B.P5** Complete a limited company's statement of cash flows.	**B.M2** Analyse the changes in the financial position of a limited company using a statement of cash flows.	
Learning aim C: Undertake shareholder ratio analysis for public limited company accounts		**C.D3** Evaluate the financial position of the limited company for current and potential shareholders, using shareholder ratio analysis.
C.P6 Describe the main purposes of shareholder ratios. **C.P7** Calculate shareholder ratios for two limited companies in the same industry.	**C.M3** Discuss the merits and limitations of ratio analysis for a limited company. **C.M4** Analyse the results of the shareholder ratios for two limited companies in the same industry.	

Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of one summative assignment for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A, B and C (A.P1, A.P2, A.P3, B.P4, B.P5, C.P6, C.P7, A.M1, B.M2, C.M3, C.M4, A.D1, B.D2, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to a range of current business information from websites and printed resources.

Essential information for assessment decisions

Learning aims A, B and C

For Distinction standard, learners will conduct additional independent research and use information from the given scenario/case study to give a thorough and justified evaluation of the financial statement to the stakeholders of a limited company.

Learners will fully use their results and analysis at Pass and Merit standard to comprehensively evaluate the overall financial position of a limited company.

Learners will show consistent accuracy, individuality and independence in their selection and use of techniques for calculations and ratio analysis.

For Merit standard, learners will use their own knowledge and research, together with calculations from their work at Pass standard and the given scenario/case study, to fully assess the relevant accounting concepts and standards used in the completion of the financial statements.

Learners will use their own independent research and knowledge, together with calculations from the Pass standard, to discuss the merits and limitations of ratio analysis for a limited company. Learners will use their results of calculations at Pass standard to conduct a ratio analysis for two limited companies in the same industry.

For Pass standard, learners will use some independent research and knowledge, as well as information from the given scenario/case study, to explain and apply the accounting concepts and standards. Learners will produce accurate calculations of adjustments and end-of-year financial statements for a limited company.

Learners will use their own knowledge, as well as information from the given scenario/case study, to describe the purpose of the main shareholder ratios, together with calculations of shareholder ratios for two limited companies in the same industry.

Links to other units

This unit links to:

- Unit 3: Business Finance
- Unit 7: Business Decision Making
- Unit 10: Recording Financial Transactions
- Unit 12: Financial Statements for Specific Businesses.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- design/ideas to contribute to unit assignment/case study/project materials
- work experience
- business materials as exemplars
- support from local business staff as mentors.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop the skills required to understand financial statements.

Unit 12: Financial Statements for Specific Businesses

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners will apply financial accounting to different types of business, including partnerships, non-profit-making businesses and manufacturing businesses.

Unit introduction

Financial accountants are concerned with the recording, summarising and interpreting of financial information and accounts. They must keep accurate and up-to-date records for different types of business.

In this unit, you will develop a greater understanding of the accounting records for different types of business, in particular the end-of-year financial statements for partnerships, non-profit-making businesses and manufacturing businesses. You will learn how to produce the final accounts for these types of business along with other related accounting records and ledger accounts. You will need to use your analytical skills to consider the differing capital structures, legal requirements and financial information which are required by these types of business.

The unit will help you to progress to an accounting apprenticeship or to one of the higher education routes in business financial management.

Learning aims

In this unit you will:

A Understand different types of businesses and their capital structure

B Examine the end-of-year financial statements for partnerships

C Explore the end-of-year financial statements for non-profit-making organisations

D Explore manufacturing accounts.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Understand different types of businesses and their capital structure	**A1** Ownership and purpose **A2** Capital structure **A3** Legal requirements **A4** Features and aims of partnerships and non-profit-making businesses	A report to explain the features and ownership of partnership and non-profit-making businesses. The report will also include a description of suitable trading activities for the different businesses, an assessment of their relative merits and drawbacks and a full evaluation as to the suitability of given trading activities to each type of business. A calculation and completion of accounting adjustments and end-of-year financial statements for a partnership business. A report to assess the relevance, importance and accounting treatment of goodwill in partnership accounts. A calculation and completion of accounting adjustments and end-of-year financial statements for a non-profit-making organisation. A report to analyse the importance of non-profit-making organisations.
B Examine the end-of-year financial statements for partnerships	**B1** Accounting adjustments **B2** End-of-year financial statements **B3** Changes to partnerships	
C Explore the end-of-year financial statements for non-profit-making organisations	**C1** Nature of non-profit-making organisations **C2** Accounting adjustments **C3** End-of-year financial statements	
D Explore manufacturing accounts	**D1** Features and aims **D2** Manufacturing costs and profit **D3** Accounting adjustments **D4** Manufacturing accounts	A report to explain the main features and aims of manufacturing businesses together with a full description of manufacturing profit and the costs of a manufacturer. The report will also include an evaluation of the importance and treatment of manufacturing profit. A calculation and completion of accounting adjustments and a manufacturing account, including manufacturing profit.

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Content

Learning aim A: Understand different types of businesses and their capital structure

A1 Ownership and purpose

- Outline the principles, ownership and purpose of differing types of business.
- Examples of the differing types of business.

A2 Capital structure

- Outline the capital structures of the differing types of business.
- Distinguish between owner's capital and loans made to the business.

A3 Legal requirements

- Principles of partnership legislation, e.g. the UK Partnership Act 1890 Section 24 (or as subsequently amended) insofar as it concerns interest on loans, capital and drawings, partners' salaries and the division of profits and losses.
- Explanation, purpose and content of a partnership agreement.
- Legal requirements and legal regulations of non-profit-making organisations.
- Application of relevant accounting concepts: materiality, realisation, going concern, business entity, duality, consistency, historical cost, other payables (matching), money measurement, prudence.

A4 Features and aims of partnerships and non-profit-making businesses

- Reasons why businesses become partnerships.
- The benefits and limitations of partnerships as a business.
- Examples of typical industry structures which are suited to operating as a partnership, with reasons why.
- The main types of non-profit-making organisations, including charities, clubs and societies.

Learning aim B: Examine the end-of-year financial statements for partnerships

B1 Accounting adjustments

- Explanation and calculation of the following adjustments to partnership accounts: depreciation, accrued and prepaid expenses and revenues, irrecoverable debts, loan interest, interest on partners' capital, interest on partners' drawings, partners' salaries.
- Prepare and balance the following ledger accounts: partners' capital accounts, partners' current accounts.
- Application and explanation of relevant accounting concepts.

B2 End-of-year financial statements

- The calculation and preparation of a statement of comprehensive income (profit and loss account; income statement), appropriation accounts and a statement of financial position (balance sheet) for partnerships, including the accounting adjustments in B1.
- Account for the appropriation of profit and losses in accordance with the profit and loss sharing ratio.
- Application and explanation of relevant accounting concepts.

B3 Changes to partnerships

- Explanation and examples of goodwill and the revaluation of assets.
- Calculation and appropriation of goodwill and the revaluation of assets from the following changes to partnerships: a new partner joining, a partner leaving, revaluation of assets, a change in the profit and loss sharing ratio.
- Make the necessary accounting entries to incorporate the changes to goodwill and revaluation of assets in the following ledger accounts: partners' current accounts,partners' capital accounts, goodwill account, asset accounts, bank account.
- Application and explanation of relevant accounting concepts.

Learning aim C: Explore the end-of-year financial statements for non-profit-making organisations

C1 Nature of non-profit-making organisations

- Examples and explanation of the sources of income (revenue), including subscriptions, life memberships, donations, fundraising activities, interest on savings accounts/investments, loans.
- Analyse the importance of non-profit-making organisations to the wider economic and social environment and to key stakeholders, including individuals, groups in society, the government, business, local community.

C2 Accounting adjustments

- Explanation and calculation of the following adjustments to non-profit-making accounts: depreciation, irrecoverable debts, loan interest, accrued and prepaid expenses and revenues, accrued and prepaid subscriptions.
- Complete and balance the following ledger accounts: receipts and payments account, subscriptions account.
- Application and explanation of relevant accounting concepts.

C3 End-of-year financial statements

- Calculation and preparation of trading accounts (any profit-making element such as bar, café, shop), income and expenditure accounts (to include subscriptions and other sources of income) and statement of financial position (to include adjustments listed under B2).
- Application and explanation of relevant accounting concepts.

Learning aim D: Explore manufacturing accounts

NOTE: A full set of final accounts, i.e. statement of comprehensive income (profit and loss account; income statement) and statement of financial position (balance sheet) are NOT required.

D1 Features and aims

- Main features of a manufacturing business.
- Examples of manufacturing businesses.
- Reasons why most manufacturing businesses are limited companies, e.g. size and scale, high capital and/or sunk costs, risk factors, investment potential, access to finance.

D2 Manufacturing costs and profit

- Explanation, calculation and examples of the following: prime cost; direct costs including labour, materials and expenses; indirect costs (factory overheads) including labour, materials and expenses; work in progress and production cost.
- Definition, explanation and reasons for incorporating manufacturing profit into the manufacturing account.
- Explanation and examples of different categories of inventory (stocks), including: direct materials, work in progress, finished goods.
- Application and explanation of relevant accounting concepts.

D3 Accounting adjustments

- Explanation and calculation of the following adjustments: depreciation, irrecoverable debts, work in progress at start and end, loan interest, other payables and other receivables (accrued and prepaid expenses and revenues), manufacturing profit.
- Application and explanation of relevant accounting concepts.

D4 Manufacturing accounts

- Calculation and preparation of a manufacturing account, including: direct materials, labour and expenses, prime cost, indirect costs (factory overheads), work in progress at start, work in progress at end, production cost and manufacturing profit.
- Application and explanation of relevant accounting concepts.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Understand different types of businesses and their capital structure		**A.D1** Evaluate how suitable the different types of business are for given business activities, providing justification.
A.P1 Explain the ownership, capital structure and legal requirements of the different types of business. **A.P2** Describe examples of suitable business activity for the differing types of business.	**A.M1** Assess the merits and drawbacks of the different types of business, capital structure and legal requirements.	
Learning aim B: Examine the end-of-year financial statements for partnerships		**BC.D2** Evaluate the relevant accounting concepts used in the completion of financial statements for partnerships and non-profit-making organisations.
B.P3 Prepare end-of-year financial statements for partnerships, incorporating appropriate adjustments.	**B.M2** Prepare the accounting entries to record goodwill for changes to a partnership.	
Learning aim C: Explore the end-of-year financial statements for non-profit-making organisations		
C.P4 Complete end-of-year financial statements for non-profit-making organisations, incorporating appropriate adjustments.	**C.M3** Analyse the importance of non-profit-making organisations.	
Learning aim D: Explore manufacturing accounts		**D.D3** Evaluate and justify the accounting treatment of manufacturing profit.
D.P5 Describe manufacturing costs and profit. **D.P6** Explain main features and aims of manufacturing businesses.	**D.M4** Accurately prepare manufacturing accounts, incorporating appropriate adjustments and manufacturing profit.	

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Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A, B and C (A.P1, A.P2, B.P3, C.P4, A.M1, B.M2, C.M3, A.D1, BC.D2)

Learning aim: D (D.P5, D.P6, D.M4, D.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to a range of current business information from websites and printed resources.

Essential information for assessment decisions

Learning aims A, B and C

For Distinction standard, learners will conduct additional independent research and use information and data from the given scenario/case study to conduct a thorough evaluation of the concepts and conventions and the suitability of each business to its overall purpose and activity.

For Merit standard, learners will use their own knowledge and research, together with calculations from their work at Pass standard and the given scenario/case study, to fully assess the treatment of goodwill in partnership accounts. Learners will also be expected to include the application of relevant accounting concepts and conventions. Learners will use independent research and information from the given scenario/case to write a full analysis of the importance of non-profit-making businesses to the wider economic and social environment.

For Pass standard, learners will use some independent research and knowledge as well as information from the given scenario/case study to explain the main features, ownership, capital structure and legal requirements of the different businesses. Learners will outline other suitable examples from their own research. They will produce accurate calculations and end-of-year financial statements for the partnership business and the non-profit-making business from the given scenario/case study.

Learning aim D

For Distinction standard, learners will use the results of their calculations at Pass and Merit standard to comprehensively evaluate and justify the accounting treatment of manufacturing profit. Learners will be able to consider why manufacturing profit is important, as well as where it goes in the accounts, together with an appreciation of relevant accounting concepts and conventions. Learners will show consistent accuracy, individuality and independence in their selection and use of techniques to produce accurate calculations for end-of-year statements.

For Merit standard, learners will prepare an accurate manufacturing account, including all the given accounting adjustments and manufacturing profit.

For Pass standard, learners will use their own research and knowledge as well as information from the given scenario/case study to give a full description of:

- the manufacturing profit and the different manufacturing costs
- the features, aims and examples of manufacturing business activity.

Links to other units

This unit links to:

- Unit 3: Business Finance
- Unit 7: Business Decision Making
- Unit 10: Recording Financial Transactions
- Unit 11: Financial Statements for Public Limited Companies
- Unit 13: Cost and Management Accounting.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- design/ideas to contribute to unit assignment/case study/project materials
- work experience
- business materials as exemplars
- support from local business staff as mentors.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop analytical skills.

Unit 13: Cost and Management Accounting

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners study cost and management accounting and its involvement with financial planning, controlling, monitoring and evaluation of business costs and revenues.

Unit introduction

Cost and management accountants are concerned with providing information to help the decision-making process in business. Cost accountants are primarily involved with the identification, classification and calculation of costs vital to helping managers make decisions about prices and potential profits. Management accountants provide management with the information they need to forecast, control and evaluate costs.

In this unit, you will learn how to develop a more in-depth understanding and application of management accounts and their role in financial planning. Typical cost accounting methods and budgets will be applied to appropriate business scenarios. Control measures will involve calculating and analysing the difference between standard and actual costs. Finally, long-term management accounting decisions will be considered using capital investment appraisal. Management accounting is not just about numerical calculations, you will need to use your analytical skills to weigh up alternative courses of action, evaluate options and make reasoned judgements and recommendations.

Cost and management accounting has clear links to all the other finance units and will help you to progress to employment and accounting apprenticeships. This unit will give you an excellent foundation for higher education routes such as accounting or professional courses.

Learning aims

In this unit you will:

A Explore absorption and marginal costing techniques for decision making

B Carry out standard costing and variance analysis statements

C Explore budgets for financial planning and control

D Undertake investment appraisal of long-term capital investment.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Explore absorption and marginal costing techniques for decision making	**A1** Classification of costs and costing methods **A2** Use of costing methods **A3** Analysis of costing methods	A portfolio of written evidence including the following elements: · a report outlining different types of costs, main costing methods and their uses · case study evidence – calculate and apply absorption and marginal costing · compare, contrast and evaluate the usefulness of absorption and marginal costing techniques and assess the significance of non-financial factors · case study evidence – a table of overall and sub-variance calculations · a report that includes: o an examination and analysis of variances o recommendations for variances that need further investigation · a report to examining the main types of budget · an analysis of the main purposes of budgeting as a management tool in planning and control · an evaluation of the advantages and limitations of budgets · practical exercises to prepare suitable subsidiary, cash and master budgets.
B Carry out standard costing and variance analysis statements	**B1** Purpose and stages of standard costing **B2** Type and calculation of variances **B3** Variance analysis	
C Explore budgets for financial planning and control	**C1** Type and purpose of budgets **C2** Usefulness of budgetary control **C3** Preparation of budgets	
D Undertake investment appraisal of long-term capital investment	**D1** Investment appraisal methods **D2** Financial and non-financial perspectives	A report that examines the effects of the internal and external environment on a large business and how the business has, and will, respond to changes.

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Content

Learning aim A: Explore absorption and marginal costing techniques for decision making

A1 Classification of costs and costing methods

- Difference between cost and management accounting.
- Definition of cost
  - fixed costs, e.g. rent and rates, insurance, salaries
  - variable costs, e.g. raw materials, components, production wages
  - semi-variable costs, e.g. heat and light, telephone
  - stepped costs
  - total cost
  - unit cost.
- Cost centres, departmental overheads.
- Definition of absorption and marginal costing and their main uses.

A2 Use of costing methods

- Absorption costing: allocation of variable (direct) costs to each unit of production, apportioning of fixed costs (overheads) to each unit of production.
- Calculating total cost (per unit) using absorption costing, calculation of markup and profit margin to set prices.
- Preparing job cost sheets using absorption costing, including variable cost, fixed cost, total cost, profit markup/margin and price.
- Marginal costing: allocation of variable (direct) costs only to each unit of production.
- Calculation and application of marginal costing in decision making, including: the acceptance of special orders, make or buy policy, limiting factor/constraint.

A3 Analysis of costing methods

- Comparison and contrasting of absorption and marginal costing methods, benefits and limitations of marginal and absorption costing, significance of non-financial factors in the use of marginal costing.

Learning aim B: Carry out standard costing and variance analysis statements

B1 Purpose and stages of standard costing

- Definition of a standard costing, types of standards: ideal and attainable.
- Stages in setting up standard costing, including standard materials, labour and overheads.
- Advantages and limitations of standard costing.

B2 Type and calculation of variances

- Calculation and explanation of the following variances (and sub-variances): material variances (price and usage), labour variances (rate and efficiency), sales variances (price and volume), overheads variances.

B3 Variance analysis

- Reasons for variances, including the interrelationships of sub-variances, including sales volume and sales price variance, labour rate and labour efficiency variance, material price and material usage variance.

Learning aim C: Explore budgets for financial planning and control

C1 Type and purpose of budgets

- The importance of budgeting for operational and tactical planning by management.
- Subsidiary budgets, including purchase, sales, production, trade receivable and trade payable budget, cash budget.
- Master budgets, including profit and loss budget and budgeted statement of financial position.
- How to prepare budgets, including ideal and attainable standards, fixed and flexible budgets.
- Main purposes of budgets, including forecasting, monitoring, control, planning, coordination, communication and motivation.

C2 Usefulness of budgetary control

- Variance analysis as a way of monitoring and controlling budgets, management by exception (management response to the analysis of budgets).
- Benefits and limitations of budgetary control, including reliability of data, rigidity, assistance with cost control and setting prices, motivation/involvement of staff, greater awareness of cost control, external factors.

C3 Preparation of budgets

- Calculation and completion of the subsidiary and master budgets.

Learning aim D: Undertake investment appraisal of long-term capital investment

D1 Investment appraisal methods

- Importance of investment appraisal methods for strategic planning by management, examples of long-term projects of at least five years, e.g. purchase of fixed assets, expansion plans, new product development.
- Definition, purpose and analysis of the main methods of investment appraisal: payback, accounting rate of return and net present value.
- Calculation and application of net cash flows, payback period, accounting rate of return and net present value.
- Concept of the time value of money.

D2 Financial and non-financial perspectives

- Analysis and evaluation of investment opportunities from a financial perspective, appreciating the importance of time, short- and long-term cash flow priorities and the relative merits of each method.
- Analysis and evaluation of the non-financial perspectives, including social and responsibility accounting, key stakeholders (internal and external), health and safety, the environment and sustainability, unemployment and ethics.
- Justified recommendations of capital investment proposals using financial and non-financial considerations.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Explore absorption and marginal costing techniques for decision making		
A.P1 Categorise and explain different types of costs and costing methods in given scenarios. **A.P2** Produce accurate absorption and marginal cost statements for given scenarios.	**A.M1** Assess the appropriateness of absorption and marginal costing techniques used for decision making in given scenarios.	**A.D1** Make justified recommendations to improve the financial performance of the business in the given scenarios.
Learning aim B: Carry out standard costing and variance analysis statements		
B.P3 Calculate sub- and overall variances in given scenarios using standard costing.	**B.M2** Analyse the reasons for the variances in given scenarios.	**BC.D2** Evaluate the usefulness of costing and budgetary control systems to the business.
Learning aim C: Explore budgets for financial planning and control		
C.P4 Explain how budgeting is used in a selected business for financial planning and control. **C.P5** Prepare accurate subsidiary and master budgets in a given scenario.	**C.M3** Assess the viability of the completed budgets in a given scenario.	
Learning aim D: Undertake investment appraisal of long-term capital investment		**D.D3** Evaluate the long-term capital investment proposal, taking into account both financial and non-financial considerations, and formulate a set of appropriate and relevant recommendations.
D.P6 Apply investment appraisal methods to alternative capital investment proposals in given scenarios. **D.P7** Explain how non-financial considerations affect capital investment proposals.	**D.M4** Analyse the results of the capital investment appraisal for decision making.	

Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A, B and C (A.P1, A.P2, B.P3, C.P4, C.P5, A.M1, B.M2, C.M3, A.D1, BC.D2)

Learning aim: D (D.P6, D.P7, D.M4, D.D3)

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Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to a range of current business information from websites and printed resources.

Essential information for assessment decisions

Learning aims A, B and C

For Distinction standard, learners will use the results of their calculations to make justified recommendations on improving the future costing and budgetary performance of the business in the given scenario. They will also evaluate the usefulness of costing and budgetary control using independent research, and examples from the given scenario.

For Merit standard, learners will show they are able to assess how the business in the given scenario can use absorption and marginal costing techniques to make appropriate business decisions. Learners will give evidence of analysis and reasons why sub-variances have occurred and how viable the completed budgets will be.

For Pass standard, learners will explain different types of costs and costing methods in relation to a given scenario and an explanation regarding how the business uses budgeting in their financial planning and control. Learners will produce accurate absorption and marginal cost statements, sub- and overall variances used in standard costing, and accurate subsidiary and master budgets.

Learning aim D

For Distinction standard, learners will use the results of their investment appraisal calculations, together with a consideration of other factors to evaluate the long-term capital investment appraisal. Fully supported and justified recommendations will also be expected.

Learners will have shown accuracy, individuality and independence in their presented assessment evidence throughout the unit.

For Merit standard, learners will analyse the results of their capital investment appraisal calculations.

For Pass standard, learners will produce accurate calculations using three main investment appraisal techniques, together with a written explanation regarding how other non-financial factors such as sustainability and ethics, may have a bearing on the final decision.

Links to other units

This unit links to:

- Unit 3: Business Finance
- Unit 7: Business Decision Making.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- design/ideas to contribute to unit assignment/case study/project materials.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop accounting skills.

Unit 14: Investigating Customer Service

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners will study how excellent customer service contributes to business success. The unit gives learners the opportunity to develop their customer service skills.

Unit introduction

How is excellent customer service linked to business success? In this unit you will learn that attracting new customers costs a business more than keeping existing customers, so it is important to keep existing customers happy. You can do this by building relationships with internal and external customers and giving them excellent service that exceeds their needs and expectations.

When working in a customer service role you need to understand the procedures to follow when dealing with customer requests and complaints. This unit will help you develop communication and interpersonal skills when dealing with customers, and to understand the importance of having good product or service knowledge. You will explore how a business builds effective relationships with customers through identifying and confirming the customer's needs. You will examine how businesses monitor and evaluate their level of customer service provision through obtaining feedback and see how this helps inform improvements to the level of service provided.

The unit will enable you to evaluate your own customer service skills and to create a development plan for improvement. The unit also supports further training, study or employment in a business environment.

Learning aims

In this unit you will:

A Explore how effective customer service contributes to business success

B Investigate the methods used to improve customer service in a business

C Demonstrate customer service skills in different situations, using appropriate behaviours to meet expectations.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Explore how effective customer service contributes to business success	**A1** Customer service in business **A2** Customer expectations and satisfaction **A3** Benefits of building customer relationships **A4** Customer service legislation and regulations	A report examining the customer service provision/process in a business and the value of delivering excellent customer service to support business success. Prepare a training handbook for a selected business on customer service, including relevant legislation and regulations. The report should also include monitoring methods used to review the customer service provision and should draw on quantitative and qualitative data.
B Investigate the methods used to improve customer service in a business	**B1** Monitoring and evaluating customer service provision **B2** Indicators in improved performance	
C Demonstrate customer service skills in different situations, using appropriate behaviours to meet expectations	**C1** Customer service skills and behaviours **C2** Dealing with customer service requests and complaints **C3** Individual skills audit and development plan	Demonstration of customer service skills in at least three different business situations. Focus on a demonstration of product/service knowledge when dealing with customers' queries, requests and problems. An evaluation of skills is also included.

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Content

Learning aim A: Explore how effective customer service contributes to business success

A1 Customer service in business

- Definition of customer service.
- Customer service roles and importance of teamwork.
- Importance of following organisational rules and procedures.
- Different approaches to customer service across industries need different skills and knowledge such as:
  - retail shops selling tangible goods – need for detailed product knowledge and effective selling skills
  - offices such as those offering a non-tangible service, either face-to-face with customers, online, written or telephone customer contact
  - contact centres with telephone contact with customers, time limitations
  - hospitality industry such as serving skills for food or drinks.

A2 Customer expectations and satisfaction

- Different types of customer, including:
  - internal and external customers and the differences between them
  - customer personalities such as aggressive, quiet, demanding
  - customers with special requirements, e.g. different language or culture, age, gender, families, special needs such as visual, hearing or mobility.
- Customer complaints.
- Customer expectations and satisfaction, including:
  - anticipation of good service, reliable information or service, offering different options, impact of advertisements, reputation, word of mouth, recommendations from others
  - importance of responding to customer needs, exceeding customer expectations through providing additional help and assistance, dealing promptly with problems, offering discounts, offering additional products or services, providing exceptional help and assistance for customers with special requirements
  - balancing customer satisfaction with business goals, aims and objectives.
- Understanding the risk to the business of not dealing with complaints.

A3 Benefits of building customer relationships

- Enhanced reputation of business.
- Repeat business.
- Customer confidence in business.
- Job satisfaction for employees.

A4 Customer service legislation and regulations

- Industry and sector-specific codes of practice, ethical issues and standards.
- Implications for the business of not meeting all legal and regulatory requirements, including consumer protection, distance selling, sale of goods, health and safety, data protection, equal opportunities.

Learning aim B: Investigate the methods used to improve customer service in a business

B1 Monitoring and evaluating customer service provision

- Using research from customers to identify improvements and monitor complaints.
- Monitoring, using:
  - customer profiles, data, e.g. types of customer, products or services provided, customer care and service
  - sources of information, e.g. customers, colleagues, management
  - methods, e.g. questionnaires, comment cards, quality circles, suggestion boxes, staff surveys, mystery shoppers, recording and sharing information.
- Evaluating customer service, including:
  - analyse responses, e.g. level of customer satisfaction, quality of product or service, meeting regulatory requirements, balancing cost and benefits
  - planning for change, resolving problems/complaints.

B2 Indicators in improved performance

- Reduction in numbers of complaints.
- Increase in profits.
- Reduction in turnover of staff.
- Repeat business from loyal customers.

Learning aim C: Demonstrate customer service skills in different situations, using appropriate behaviours to meet expectations

C1 Customer service skills and behaviours

- Communication skills:
  - face-to-face, written, email or other electronic media, telephone
  - verbal, e.g. pitch and tone of voice, open and closed questions, using the telephone
  - non-verbal, e.g. sign and body language, listening skills
  - barriers to communication.
- Interpersonal skills:
  - personal presentation approach, e.g. attitude, behaviour, hygiene, personality, conversation skills, giving a consistent and reliable response.
- Behaviours, e.g. being positive, offering assistance, showing respect.

C2 Dealing with customer service requests and complaints

- Customer service situations:
  - providing information, products or services, promoting additional products and services, giving advice, taking and relaying messages
  - limitations of role and authority, keeping records
  - dealing with problems, handling complaints, remedial measures, emergency situations, organisational policy.

C3 Individual skills audit and development plan

- Skills audit of customer service skills.
- Personal SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis to assess any gaps, e.g. interpersonal and communication skills – body language, listening skills, handling complaints, working with others.
- Set objectives to meet skills development goals for a specified customer services role by:
  - identifying resources and available support needed to meet the objectives
  - setting review dates
  - monitoring the plan to assess progress against targets.

Assessment criteria

<table>
<tr><th>Pass</th><th>Merit</th><th>Distinction</th></tr>
<tr><td colspan="2">Learning aim A: Explore how effective customer service contributes to business success</td><td rowspan="3">A.D1 Evaluate the importance for a selected business of providing excellent customer service and adhering to relevant current legislation and regulations.</td></tr>
<tr><td>A.P1 Describe the different approaches to customer service delivery in contrasting businesses.
A.P2 Examine ways that customer service in a selected business can meet the expectations and satisfaction of customers and adhere to relevant current legislation and regulations.</td><td>A.M1 Analyse how legislation and regulation impacts on customer service provision in a selected business.</td></tr>
<tr><td colspan="2">Learning aim B: Investigate the methods used to improve customer service in a business</td></tr>
<tr><td>B.P3 Research methods a business can use to make improvements to the customer service provision.</td><td>B.M2 Analyse different methods of monitoring customer service for a product or service in a selected business.</td><td>B.D2 Evaluate the benefits of improvements to customer service performance for the business, the customer, and the employee.</td></tr>
<tr><td colspan="2">Learning aim C: Demonstrate customer service skills in different situations, using appropriate behaviours to meet expectations</td><td rowspan="2">C.D3 Demonstrate initiative in making high-quality justified recommendations to develop own communication and interpersonal skills to meet customer needs.</td></tr>
<tr><td>C.P4 Demonstrate communication and interpersonal skills appropriate to meet customer needs in different situations.
C.P5 Review own customer service skills, identifying gaps where improvements could be made.
C.P6 Present a clear, effective development plan for own customer service skills.</td><td>C.M3 Assess how the development plan has improved the performance of customer service skills.</td></tr>
</table>

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Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, A.M1, B.M2, A.D1, B.D2)

Learning aim: C (C.P4, C.P5, C.P6, C.M3, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to a range of current business information from websites and printed resources.

Essential information for assessment decisions

Learning aims A and B

For Distinction standard, learners will prepare evidence based on research. The report will give details of what is required to ensure that good customer service leads to business success. Examples of how to enhance customer service will be original and imaginative. The evidence will include references to legislation and how a business ensures that customer expectations are exceeded. There will be clear examples of monitoring and how effective customer service can be in ensuring that customers are happy.

The training pack will be high quality with clear detail on all aspects of customer service so that it can be used in practical situations to ensure that employees exceed customer expectations.

For Merit standard, learners will analyse examples of how legislation and regulation impact on customer service. Details of how to make improvements and monitor customer service will be included, with examples of good practice. The training pack created will be to a good standard with relevant practical information and detail to enable the provision of very good customer service.

For Pass standard, learners will prepare evidence that covers the approaches that businesses take to customer service and will include details of how improvements can be made. The training pack created will give practical information on how to deliver customer service to ensure business success.

Learning aim C

This learning aim will be completed with a number of role-play activities or, if a learner is working part-time in customer service, real evidence from their employment can be included in the form of witness statements. Activities and role play will be developed to challenge learners and should include dealing with difficult situations.

For Distinction standard, learners will produce a report after the role-play activities have taken place. The report will give realistic details of how learners need to work on their individual skill sets to enhance their customer service and communication skills. Learners will produce a clear critique, highlighting their strengths and weaknesses. They will have fully embraced the role-play scenarios, demonstrated their skills with confidence and used initiative when dealing with challenging situations.

For Merit standard, learners will produce a clear analytical report showing how their skills should be improved. Participation in customer service situations will have been good with levels of confidence shown across the activities.

For Pass standard, learners will show effective customer service and communication skills in the customer service situations and a realistic plan for addressing weaknesses will have been developed.

Links to other units

This unit links to:

- Unit 1: Exploring Business
- Unit 15: Investigating Retail Business
- Unit 42: Aspects of UK Civil Liability Affecting Business
- Unit 43: Aspects of UK Criminal Law Impacting on Business and Individuals.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers and interview opportunities
- work experience
- business material as exemplars
- participation in audience assessment of presentations
- visits to appropriate businesses.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop customer service skills.

Unit 15: Investigating Retail Business

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners will explore the current structure of the retail sector and its supply chain through practical activities.

Unit introduction

Retail is a broad sector and encompasses businesses of all sizes. You will probably already have some experience of the sector, either simply through purchasing goods, or selling them – perhaps while employed in a part-time capacity in a clothing or food outlet.

In this unit, you will carry out research into local and national retail businesses, exploring how the supply chain supports retailing. You will consider how the sector responds to change, the opportunities for employment in the sector, and the types of job roles available. You will apply your research and findings to current businesses in the sector.

Retail is important for the UK economy and trends in retail sales often mirror those of the country's economy as a whole. It is a sector with good opportunities for your future career and there is a tradition amongst the larger employers of excellent in-house training schemes that support progression opportunities and career advancement for employees. The unit will provide a useful opportunity for you to consider whether you wish to pursue employment or further specialist study in retail management at a higher education level.

Learning aims

In this unit you will:

A Explore the current structure of the sector through investigation of the local retail environment

B Investigate how the retail sector has responded to change and trends

C Examine the importance of the supply chain and inventory management to the success of retail business.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Explore the current structure of the sector through investigation of the local retail environment	**A1** The nature of retailing **A2** Classification of retailers **A3** Structure of retailing **A4** Employment in retail	An individual presentation with leaflet and report following a detailed investigation of the nature, structure and classification of the retail sector and employment opportunities locally. Impact of changes in the and global retail environment and how retail businesses are responding to the changes, with particular emphasis on two selected retailers. Interview with current employees to see how changes have impacted on particular retail businesses.
B Investigate how the retail sector has responded to change and trends	**B1** The retail environment **B2** Impact of social change **B3** Changes due to new technologies used in the sector **B4** The competitive environment and trends	
C Examine the importance of the supply chain and inventory management to the success of retail business	**C1** Distribution channels **C2** Retail supply chains and logistic processes **C3** Inventory management **C4** Impact of digital technology	A written report examining the role of retailing as part of the supply chain. Examination of the impact of digital technology on all participants in the supply chain. Two different retail businesses should be selected.

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Content

Learning aim A: Explore the current structure of the sector through investigation of the local retail environment

A1 The nature of retailing

- Definition of retailing, adding value to products and services, development of retailing, meeting customer needs through different retail formats and distribution channels, e.g. high street shopping, out-of-town shopping centres, direct delivery from internet orders, bricks and clicks.

A2 Classification of retailers

- Store-based, non-store-based, product/service retailing.
- Ownership, e.g. independents, multiples, chain stores, franchises, cooperatives, social enterprises:
  - size, e.g. number of employees, sales area, number of branches, turnover, type of activity, product range
  - location, e.g. town centre, local, out of town, retail parks, regional centres
  - store formats, e.g. convenience stores, department stores, supermarkets, hypermarkets, specialist/niche, premium/value.

A3 Structure of retailing

- Retail sub-sectors, e.g. food, fashion, sports.
- Business models used by retail businesses: their advantages and disadvantages, e.g. value stores, premium brand stores, artisan stores.

A4 Employment in retail

- Job roles, training and promotion prospects in both small and large businesses.

Learning aim B: Investigate how the retail sector has responded to change and trends

B1 The retail environment

- Macro-environment, e.g. external factors including political, legal, economic, sociocultural and technological factors.
- Response to external changes, e.g. new products, new online formats, government policy on store trading hours and planning permission.
- Tensions and competing priorities, e.g., reorganisation in response to changing circumstances, environmental issues, sustainability, fair trade, packaging.

B2 Impact of social change

- Demographics, household occupancy, mobility, new technologies, diverse communities, ageing population, migration, changing lifestyles, cultural differences, leisure time.

B3 Changes due to new technologies used in the sector

- Growth of online shopping.
- Mobile apps for shopping.
- Chip and PIN and contactless payment.

B4 The competitive environment and trends

- Competitors, market position, barriers to entry, pricing, product development.
- New products and services, retailers' power over manufacturers, new retail concepts, i.e. social enterprise stores.
- Global influences on UK retailing.

Learning aim C: Examine the importance of the supply chain and inventory management to the success of retail business

C1 Distribution channels

- Availability of products, e.g. time, place, quantity, movement of goods through the supply chain, different channels for different types of goods and services, the role of wholesalers, intermediaries, transport, storage, after-sales service.

C2 Retail supply chains and logistic processes

- Movement of goods and services, sourcing from the UK and internationally, suppliers, distributors, warehousing, transport, carriers, storage locations, disposal of unsold products, recycling, impact of ICT in supply chain management.
- Competing supply chain issues, e.g. communication, coordination, collaboration, costs, delays, targets, power issues in chains.

C3 Inventory management

- Links to merchandising, business objectives.
- Types of inventory management, e.g. manual and computerised.
- Factors affecting inventory management, e.g. sales forecasts, planning, targets, risks.
- Inventory management systems, e.g. total quality management (TQM), Just in Time (JIT), Last in, First out (LIFO) and First in, First out (FIFO).
- Inventory management security systems, e.g. CCTV and tags.

C4 Impact of digital technology

- Information flows, supply and demand information between suppliers and customers, B2B and B2C, EDI, internet and electronic trading, networks, intranets, e-commerce, integrated systems.
- Customer Relationship Management (CRM) systems, Electronic Point of Sale (EPOS), Electronic Funds Transfer at the Point of Sale (EFTPOS), inventory management systems, hands-free ordering.

Assessment criteria

<table>
<tr><th>Pass</th><th>Merit</th><th>Distinction</th></tr>
<tr><td colspan="2">Learning aim A: Explore the current structure of the sector through investigation of the local retail environment</td><td rowspan="4">AB.D1 Evaluate how trends and changes in the UK consumer market have impacted on two contrasting national retailers.</td></tr>
<tr><td>A.P1 Explore the retail provision in your local area including the current nature and structure.
A.P2 Investigate the range of job roles, entry points and progression opportunities available locally in contrasting retail businesses.</td><td>A.M1 Analyse how local retail businesses are structured, satisfying differing customer needs.</td></tr>
<tr><td colspan="2">Learning aim B: Investigate how the retail sector has responded to change and trends</td></tr>
<tr><td>B.P3 Explain how the retail environment and social trends are affecting a local retail business.</td><td>B.M2 Assess how a retail business's ability to respond to change improves its competitiveness.</td></tr>
<tr><td colspan="2">Learning aim C: Examine the importance of the supply chain and inventory management to the success of retail business</td><td rowspan="2">C.D2 Evaluate the effectiveness of the supply chain and inventory management on the success of a specific retail business.
C.D3 Evaluate the impact digital technology has had on the processes of a specific retail business.</td></tr>
<tr><td>C.P4 Explain how the process of distributing goods through different channels from manufacturer to customer differs in two businesses.
C.P5 Investigate the impact digital technology has on the retail and logistic processes of two contrasting businesses.</td><td>C.M3 Analyse the impact of digital technological developments on retailing, the supply chain and inventory management.</td></tr>
</table>

Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, A.M1, B.M2, AB.D1)

Learning aim: C (C.P4, C.P5, C.M3, C.D2, C.D3)

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Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to a range of current business information from websites and printed resources.

Essential information for assessment decisions

Learning aims A and B

For Distinction standard, learners will select two retail businesses and provide an individual evaluation on how developments and change in the UK and globally have impacted on these two specific retail businesses. Clear examples of how and why should be evidenced. This could be, for example, linked to opening smaller stores in prime locations, going into partnerships, mergers or acquisitions, entering new markets or changes in employment patterns. At least two examples of change for each business will be expected in the evaluation. Clear speaker notes will be required to support the presentation.

For Merit standard, learners will assess how one retail business has responded to change. This will need to be assessed in depth with examples included relating to how it has enhanced its competitiveness. Some evidence may be drawn from an interview conducted with a member of the retail profession.

For Pass standard, learners will clearly show the make-up of the local retail facilities. Evidence of employment and job roles in contrasting businesses in the sector will be included. Evidence will include an explanation of how the retail sector has responded to change and trends by perhaps streamlining its operations, expanding globally, looking at the size and location of its outlets or diversifying.

Learning aim C

It will be useful to use individual research from visits to retail businesses and interviews with employees to gain the information required for this assignment.

For Distinction standard, learners will evaluate how important the management of the supply chain and inventory management have been in one particular business. It is important that the right business is chosen to allow development of a detailed individual evaluation. The evaluation must be supported by appropriate examples. Learners will also evaluate how digital technology has impacted on the range of processes in a selected retail business.

For Merit standard, learners will analyse, by reference to one sub-sector, how digital technology developments have impacted on retailing, the supply chain and how they are used for controlling stock and monitoring delivery to the end user.

For Pass standard, learners will investigate the process of distribution from manufacture to end customer in two different businesses. The businesses need to be sufficiently different so that the processes are varied. Inventory management methods in the different businesses will need to be explained. They will also need to explain the importance of digital technology on the retail and logistic process, and how integrated inventory management systems are important.

Links to other units

This unit links to:

- Unit 1: Exploring Business
- Unit 14: Investigating Customer Service
- Unit 16: Visual Merchandising
- Unit 23: Work Experience in Business.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers and interview opportunities
- work experience
- business material as exemplars
- participation in audience assessment of presentations
- visits to appropriate businesses.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop research and application of findings skills.

Unit 16: Visual Merchandising

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners study the practice and techniques used to visually promote the sale of products in retail outlets.

Unit introduction

Every time you go to a shopping centre you are faced with stimulating and engaging displays designed to encourage the sales of products or services. Visual merchandising (or VM) is the art of setting out stores in ways that customers will find attractive and appealing. Window and internal displays, product positioning and effective promotional techniques are all important aspects of visual merchandising designed to increase store traffic and sales volume.

In this unit, you will look at different visual merchandising and display techniques. These techniques will vary according to the type and size of a retail business and the products it sells. If customers are to be persuaded to spend money there are many issues that have to be considered such as health and safety and other legislation, as well as creative and psychological factors.

This unit will give you an insight into the elements used to create attractive displays, including product information, colour, light, space, smell, touch and sound. Digital technology can also be used to create displays and interactive installations. You will have the opportunity to investigate and demonstrate some of the practical skills and techniques that retailers use to tempt customers into their stores. The unit will also help you to decide if you would like to work in, or continue to further study in, this area.

Learning aims

In this unit you will:

A Explore how retail outlets apply visual merchandising and display techniques in line with legislation and safety considerations

B Examine the psychological and technological merchandising techniques used to influence customers

C Create a successful display for a retail outlet through the use of appropriate visual merchandising techniques.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Explore how retail outlets apply visual merchandising and display techniques in line with legislation and safety considerations	**A1** Visual merchandising **A2** Display techniques **A3** Legislation and safety considerations	A written report that examines the visual merchandising used by two contrasting retail businesses and that considers the effectiveness of the visual merchandising in each. This is to be supported by a presentation explaining the impact of legislation on visual merchandising.
B Examine the psychological and technological merchandising techniques used to influence customers	**B1** Psychology of visual merchandising **B2** Psychological techniques **B3** Technological techniques	
C Create a successful display for a retail outlet through the use of appropriate visual merchandising techniques	**C1** Retail outlets **C2** Success factors **C3** Legal and safety aspects	A practical demonstration of visual merchandising techniques to create a successful display suitable for an outlet of choice.

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Content

Learning aim A: Explore how retail outlets apply visual merchandising and display techniques in line with legislation and safety considerations

A1 Visual merchandising

- Promoting the sale of products and services by the way they are presented in retail outlets; combining product, environment and space into a stimulating and engaging display to encourage the sale of a product or service; the physical display of goods in the most attractive manner possible.

A2 Display techniques

- Product placement: window, front end, aisle ends, near stairs, at entrance, near escalators/lifts, high-traffic aisles, complementary merchandise placement.
- Product segmentation: by theme, promotion, event, and season; across business.
- Techniques: themes/stories, coordination, colour/style blocks, complementary/contrasting colours, repetition, mirror imaging and triangular formulation, focal points, branding/signage, mass display, micro-merchandising.
- Props: mannequins/busts/forms, furnishing enhancements, product demonstration.
- Fixtures: gondolas, end caps, dump tables/bins, garment rails, slat walls, counters, shelves, platforms, showcases, forms.
- Free-standing displays: stacks, islands.

A3 Legislation and safety considerations

- Point of sale (POS) and ticketing:
  - price marking regulation: obligation to indicate selling price in sterling on display, on goods, on shelf-edge price, ticket positioning.
  - product labelling: quantity, size, composition, origin.
- Trade description legislation.
- Food safety regulations.
- Display safety: height of merchandise, stability, weight distribution/capacity, correct temperature, signage.

Learning aim B: Examine the psychological and technological merchandising techniques used to influence customers

B1 Psychology of visual merchandising

- How consumers are influenced by the use of visual merchandising; effective use of an environment's design through visual communications, lighting, colours, music and scent to stimulate customers' perceptual and emotional responses, and ultimately to affect their purchasing behaviour.

B2 Psychological techniques

- Tangible techniques: store location, design and aesthetics, store windows, transition zones, use of company/brand names, fixtures positioning, signage, promotions, odd versus even pricing, fitting rooms, packaging design, angles and sight lines, composition (vertical and horizontal), point of sale (POS) displays, in-store announcements.

- Intangible techniques: atmospherics (music, mirrors, lighting), sensual environment (sight, touch, scent, taste, sound, temperature), visual effects (light, colour, texture, shape and dimension combined).

B3 Technological techniques

- Electronic displays to broadcast in-store advertising messages and information on services.
- Demonstrations of new products and services.
- Interactive/touch screen/windows, interactive point of sale, QR (Quick Response) codes, digital media.

Learning aim C: Create a successful display for a retail outlet through the use of appropriate visual merchandising techniques

C1 Retail outlets

- Department stores, discount stores, supermarkets, hypermarkets, convenience tobacco newsagents (CTNs), factory outlets, not-for-profit organisations, 'pop-up' shops, farm shops, outdoor/indoor markets.

C2 Success factors

- Appropriate merchandising style for product and outlet type, incorporation of appropriate props and displays, effective use of signage and graphics.

C3 Legal and safety aspects

- Health and safety, risk assessment, ticketing legislation.

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Assessment criteria

Pass	Merit	Distinction
Learning aim A: Explore how retail outlets apply visual merchandising and display techniques in line with legislation and safety considerations		**A.D1** Evaluate the extent to which different visual merchandising and display techniques contribute to the success of two contrasting businesses.
A.P1 Investigate the visual merchandising and display techniques that can be used in retail outlets. **A.P2** Explain how visual merchandising is affected by legal and safety regulations.	**A.M1** Analyse the different approaches to visual merchandising used by contrasting businesses, supported by independent research.	
Learning aim B: Examine the psychological and technological merchandising techniques used to influence customers		**B.D2** Evaluate how psychological and technological techniques are used to increase business success.
B.P3 Explain how psychological techniques are used by two contrasting retail outlets. **B.P4** Explain how technological techniques are used by two contrasting retail outlets.	**B.M2** Analyse how psychological and technological techniques are used to increase business success.	
Learning aim C: Create a successful display for a retail outlet through the use of appropriate visual merchandising techniques		**C.D3** Demonstrate individual self-management and initiative in the presentation of a high-quality, successful display for a retail outlet through the creative use of visual merchandising.
C.P5 Produce a realistic plan for a visual merchandising display for a product or service in a retail outlet. **C.P6** Create a successful visual merchandising display for a product or service in a retail outlet.	**C.M3** Plan and create an individual visual merchandising display, using recommendations and feedback to assess the success of the project.	

Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, B.P4, A.M1, B.M2, A.D1, B.D2)

Learning aim: C (C.P5, C.P6, C.M3, C.D3)

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Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to a range of current business information on websites and from printed resources.

Essential information for assessment decisions

Learning aims A and B

For Distinction standard, learners will have relevant evidence from contrasting businesses of the differing approaches to visual marketing to support the evaluation given.

For Merit standard, learners will demonstrate clear analysis of the range of approaches and techniques used in visual merchandising. Evidence of independent research should be included.

For Pass standard, learners will explain how visual merchandising techniques can be affected by legislative and safety requirements. Learners should also explain how psychological and technological techniques are used in two contrasting retail outlets.

Learning aim C

For Distinction standard, learners will participate in a practical activity to create a successful display that has been informed by their prior research. Learners should have demonstrated an independent approach throughout their work, together with good research skills, initiative and creativity that demonstrate a high standard of individual technical ability. There should be an attention to detail and precision throughout their work. A creative approach is one where a learner develops their own ideas or develops ideas in distinctive ways. It is not a measure of artistic design skills.

Preparation and planning documents, photographic evidence of the assembly and completion of a suitable display should evidence this criterion. Observation records and witness statements should also be included.

For Merit standard, learners will create an individual display using recommendations and feedback from peers and others to contribute to its success.

For Pass standard, learners will present evidence of planning to produce an appropriate display.

Links to other units

This unit links to:

- Unit 2: Research and Plan a Marketing Campaign
- Unit 15: Investigating Retail Business.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers and interview opportunities
- work experience
- business material as exemplars
- participation in audience assessment of presentations
- visits to appropriate businesses.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop visual promotion skills.

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Unit 17: Digital Marketing

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners examine the different aspects of web-based marketing, and the channels that can be used to deliver a successful digital marketing campaign.

Unit introduction

This unit will allow you to develop your marketing skills and provide an understanding of the role of digital marketing in identifying and satisfying customers.

In this unit, you will examine the purpose of digital marketing in a business, and consider the specific aims and objectives of this function. You will research how digital marketing is used today, and develop an understanding of the benefits of, and concerns about, digital marketing. You will investigate the different delivery methods and the use of key performance indicators (KPIs) used to evaluate the success of the digital message. You will use this knowledge to make recommendations for a digital marketing campaign for a selected business.

This unit will give you an insight into the importance of digital marketing as part of the wider marketing function, and enable you to make an informed choice on the suitability of this area of marketing as an employment or training possibility.

Learning aims

In this unit you will:

A Examine the role of digital marketing within the broader marketing mix

B Investigate the effectiveness of existing digital marketing campaigns

C Develop a digital marketing campaign for a selected product or brand.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Examine the role of digital marketing within the broader marketing mix	**A1** Digital marketing in the marketing function **A2** How the digital communication is delivered **A3** Devices for displaying digital communications	A presentation that assesses the influence of digital marketing in shaping customer behaviour and buying habits, and which then outlines the effectiveness of two existing digital marketing campaigns from two different types of business. There will also be an evaluation that highlights different compensation models, benefits and concerns. An accompanying report considering the benefits and potential concerns of digital marketing will also be provided.
B Investigate the effectiveness of existing digital marketing campaigns	**B1** Digital marketing objectives **B2** Digital strategies to meet target objectives **B3** Return on investment compensation models **B4** Benefits and concerns of online advertising	
C Develop a digital marketing campaign for a selected product or brand	**C1** Marketing planning process **C2** Integration in the wider marketing and promotional mix	A fully justified plan for a digital marketing campaign.

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Content

Learning aim A: Examine the role of digital marketing within the broader marketing mix

A1 Digital marketing in the marketing function

- Definitions of digital marketing:
  - the use of digital technologies to create integrated, targeted and measurable communications that help to acquire and retain customers while building deeper relationships with them (Digital Marketing Institute)
  - achievement of marketing objectives through the use of digital media and technology.
- Role of digital marketing as an extension to, rather than a replacement for, the traditional marketing and promotional mix.
- Current trends in digital marketing, e.g. the move to mobile communications.
- The use of digital marketing to target specific market segments.
- The development of customer databases in delivering digital communications, including the use of free content for lead generation.

A2 How the digital communication is delivered

- Display advertising, banners, pop-ups, floating advertisements (ads), interstitial ads, text ads.
- Search engine marketing, optimisation and sponsored searches.
- Social media marketing.
- Email advertising.

A3 Devices for displaying digital communications

- Personal computers, smartphones, tablets and games consoles.

Learning aim B: Investigate the effectiveness of existing digital marketing campaigns

B1 Digital marketing objectives

- Lead generation.
- Brand awareness.
- Customer retention.

B2 Digital strategies to meet target objectives

- Content marketing – relevance, pressure to keep refreshed.
- Paid search advertising.
- Search engine optimisation.
- Social media marketing.
- Video marketing.
- Video blogging (vlogging).
- Email marketing.
- Mobile applications (apps).
- QR codes.
- Responsive web design.

B3 Return on investment compensation models

- Cost per mile (CPM).
- Cost per click (CPC).
- Cost per engagement (CPE).
- Cost per view (CPV).
- Fixed cost.

B4 Benefits and concerns of online advertising

- Benefits, including cost, measurability, formatting, targeting, coverage, speed.
- Concerns, including banner blindness, fraud and other illegal activity, display variations, ad blocking, privacy/data security, consumer location tracking, spam.

Learning aim C: Develop a digital marketing campaign for a selected product or brand

C1 Marketing planning process

- Set objectives – lead generation, brand awareness, customer retention.
- Analysis of target segment, brand persona and competition.
- Resource identification – human, financial and technological.
- Implementation planning and testing.
- Measurement against targets.

C2 Integration in the wider marketing and promotional mix

- Marketing objectives.
- Marketing mix.
- Promotional mix.
- Anticipated returns.

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Assessment criteria

Pass	Merit	Distinction
Learning aim A: Examine the role of digital marketing within the broader marketing mix		**A.D1** Justify the extent to which the digital environment is influencing consumer choices.
A.P1 Explain the role of digital marketing as an extension of traditional marketing and the ways the messages can be delivered. **A.P2** Investigate the ways in which advertisers are targeting mobile device users.	**A.M1** Analyse, using examples, the effectiveness of different digital delivery methods.	
Learning aim B: Investigate the effectiveness of existing digital marketing campaigns		**B.D2** Evaluate the effectiveness of digital marketing campaigns from different businesses, and suggest ways to overcome concerns raised about digital marketing.
B.P3 Discuss the digital strategies that a selected business uses to meet two different objectives. **B.P4** Outline different compensation models used in digital marketing. **B.P5** Explain the benefits of, and concerns about, digital marketing from the perspective of both the customer and the marketer.	**B.M2** Analyse the different digital strategies and compensation models used to create brand recognition and brand loyalty.	
Learning aim C: Develop a digital marketing campaign for a selected product or brand		**C.D3** Produce creatively a digital marketing campaign, justifying the key decisions taken and potential improvements that could be used to create brand loyalty.
C.P6 Produce an outline for a digital marketing campaign that will create brand loyalty for a new or existing product or brand.	**C.M3** Produce a detailed digital marketing campaign and demonstrate how it integrates into the wider marketing and promotional mix for a new or existing product or brand.	

Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, B.P4, B.P5, A.M1, B.M2, A.D1, B.D2)

Learning aim: C (C.P6, C.M3, C.D3)

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Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to a range of current business information on websites and from printed resources.

Essential information for assessment decisions

Learning aims A and B

For Distinction standard, learners will investigate a range of digital marketing campaigns to identify the different types of communication used and their effectiveness in reaching different target segments. Different strategies should be considered, one of which should be the use of video or vlogging to help create brand recognition or brand loyalty. Two different campaigns from different businesses will be discussed and then evaluated in detail to establish how successful they were. Learners will have discussed the suitability of the compensation model used. There will be justified solutions to overcome the concerns about digital marketing.

For Merit standard, learners will demonstrate their analytical skills by discussing the merits and disadvantages of at least three digital communication methods, which should be chosen from at least two different types. For example, learners could choose to discuss the use of interstitial adverts, search engine optimisation and social media marketing. Learners should also analyse the different digital strategies and compensation models used and explain how these are used to create brand recognition or brand loyalty.

For Pass standard, learners will describe the role digital marketing is playing in the marketing process. Current examples should be used to demonstrate latest trends, such as the use of vlogging to promote goods and the distribution of free digital content to acquire new leads. They will also explain the different ways in which digital communications can be delivered to consumers, the devices that are currently being used and the trend towards the increasing use of mobile devices. There will be an attempt at discussing the digital strategies and compensation models used and an attempt to explain some of the limitations and benefits to the consumer and the marketer of digital marketing.

Learning aim C

For Distinction standard, learners will produce a fully justified and creative digital marketing campaign for a product or brand. There will be reflection on the key decisions taken when producing the elements of the campaign, and suggestions on how the campaign might be improved.

For Merit standard, learners will develop a fully-detailed digital campaign and explain how the plan is integrated into and complements the wider marketing and promotional mix.

For Pass standard, learners will produce an outline for a digital marketing campaign that clearly demonstrates brand loyalty for a new or existing brand. Clear reference will be made to the digital application and how brand loyalty is created.

Links to other units

This unit links to:

- Unit 2: Research and Plan a Marketing Campaign
- Unit 16: Visual Merchandising
- Unit 18: Creative Promotion
- Unit 22: Market Research.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- business materials as exemplars
- design/ideas to contribute to unit assessment
- support from local business staff as mentors
- visits to appropriate businesses.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop marketing skills.

Unit 18: Creative Promotion

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners study how creative promotion influences the buying decisions of customers, stimulates demand, creates brand personality, and promotes products and services.

Unit introduction

Effective promotion attracts and persuades customers to buy products and services. It is used to stimulate sales and develop brand loyalty. Businesses use a range of marketing communications and activities to convey their messages.

This unit will develop your understanding of the ways in which businesses communicate with current and potential customers for promotional purposes. You will explore the methods used by contrasting businesses and reflect on the suitability of specific methods used to achieve marketing objectives.

In this unit, you will use your creative skills to produce a fully costed plan for a promotional campaign. The unit will help you to decide if you would like to work in or continue to further study in this area.

Learning aims

In this unit you will:

A Explore the role of integrated marketing communications in creative promotion

B Review the effectiveness of the promotional mix used by different businesses

C Create a plan for a promotional campaign.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Explore the role of integrated marketing communications in creative promotion	**A1** The purposes of marketing communications **A2** Developing effective marketing communications **A3** The importance of integrated marketing communications	A report on the role of integrated marketing communication activities used in a range of different businesses.
B Review the effectiveness of the promotional mix used by different businesses	**B1** The elements of the promotional mix **B2** Influences on the choice of promotional activities	A report on the effectiveness of the promotional activities used by different businesses, comparing the campaign plan produced by learners to other businesses. Learners will produce and present a proposal for a promotional campaign, showing how appropriate communication methods will be utilised in order to meet the needs of customers. The plan will be fully costed and the learner will show how they intend to spend their budget on different activities. Learners will need to produce examples of proposed promotional materials in their presentation.
C Create a plan for a promotional campaign	**C1** Linking promotional methods to market segments **C2** Costing promotional activities **C3** Planning promotional activities **C4** Ethical and legal dimensions of promotional activities	

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Content

Learning aim A: Explore the role of integrated marketing communications in creative promotion

A1 The purposes of marketing communications

- To inform, e.g. create awareness of a product, service or brand, to develop understanding of the features and/or characteristics of a product or service.
- To persuade, e.g. convince current or potential customers to change their behaviour, encourage purchasing decisions, visit a website or physical store.
- To differentiate, e.g. highlight unique characteristics of different products, position products, influence the behaviour and attitudes of customers.
- To reinforce and reassure, e.g. positive experiences of products or services, beliefs about own and/or competitors' products.

A2 Developing effective marketing communications

- Communications objectives, e.g. raise awareness, increase knowledge, encourage choice; links between these and promotional and marketing objectives; their role in the achievement of corporate objectives.
- Identify target audience, e.g. adapt messages for different target groups, develop a brand; use marketing research to make judgements.
- Design a message: content, structure, format; appropriateness to target market; potential legal and ethical issues; types of appeal.
- Receive feedback: product trials, promotions and messages; use feedback to measure customer satisfaction, manage expectations and modify promotional activities.

A3 The importance of integrated marketing communications

- Consistency of promotional activities, e.g. branding elements and being 'on message'; consequences of inconsistency.
- Consistency with other elements of the marketing mix, e.g. with pricing, distribution and product; ensuring that customers get a consistent message.

Learning aim B: Review the effectiveness of the promotional mix used by different businesses

B1 The elements of the promotional mix

- Advertising: forms, e.g. print, cinema, TV, online; considerations when planning advertising; cost, reach, penetration.
- Personal selling: sales behaviour, e.g. getting, giving and using information; ethics of selling, e.g. high-pressure sales, mis-selling of products (e.g. banks and PPI).
- Sales promotion: methods, e.g. competitions, discounts, multi-buy offers; customer loyalty versus increased sales; effect on the credibility of messages in other channels.
- Direct marketing: forms, e.g. postal, email; costs and benefits of direct communications.
- Public relations: approaches, benefits and drawbacks of PR activity.
- The effectiveness of promotional activity: integration with the marketing mix and promotional objectives; allocation of budget to methods used; choice of message channels and their effectiveness in conveying messages; impact of competitors.

B2 Influences on the choice of promotional activities

- Appropriateness of promotional activities in different types of market, e.g. mass, niche, B2B, B2C, goods, services.
- Link between promotional activities and strategies, e.g. push and pull strategies.
- Ethical issues and promotional activities, e.g. accuracy of messages, targeting of vulnerable groups (payday loans aimed at younger people, pester power).
- Use of statistics and research to mislead, e.g. claims about customer preferences based on poorly-designed research.
- Legal issues, e.g. consumer legislation, other issues relating to taste and decency, sponsorship; industry codes of practice.
- Organisational influences on promotional activity, e.g. availability of finance, corporate objectives.
- Political influences, e.g. government, media, relevant pressure groups; impact of scandals such as horsemeat in food.
- Social factors, e.g. fashions, trends, demographics, religious beliefs.
- Competitive pressures: rivals' actions, e.g. spoiler campaigns; market context growth, decline; market position; leader or follower.

Learning aim C: Create a plan for a promotional campaign

C1 Linking promotional methods to market segments

- Approaches to market segmentation, e.g. demographic, geographic, geo-demographic; specific requirements of different market segments; importance of adapting communication techniques to meet these.

C2 Costing promotional activities

- Setting a promotional budget, e.g. percentage-of-sales method, competitive parity, objective and task method, affordable method.
- Costing different forms of promotion, e.g. production costs, channel costs.
- Monitoring promotional expenditure, identifying variances, understanding reasons for variances in promotional spending.

C3 Planning promotional activities

- Producing a proposal, e.g. storyboards, maquettes; gaining approval; consistency with branding and marketing mix elements.
- Producing a promotional plan: timescale, print deadlines, shoot times, campaign duration; frequency of activity; budget; link between plan and promotional objectives, marketing objectives and corporate objectives.
- Monitoring marketing activity, e.g. 'web metrics', audience response, impact on business performance indicators; control measures for promotional activity, e.g. responding to unsuccessful promotional activity.

C4 Ethical and legal dimensions of promotional activities

- Laws relating to selling, e.g. consumer protection, sale of goods; codes of practice; Direct Marketing Association, Advertising Standards Authority.
- Ethical considerations, e.g. 'lifestyle' promotions, impact on vulnerable consumers; ethics and morals, e.g. maximising profits versus protecting consumers.
- Effects of compliance and non-compliance, consideration of moral grey areas, e.g. controversial promotion as a public relations technique.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Explore the role of integrated marketing communications in creative promotion		
A.P1 Explore and illustrate how marketing communication aids creative product promotion. **A.P2** Explain the importance of integrated marketing communication activity to contrasting businesses.	**A.M1** Analyse the effectiveness of the marketing communication activities of contrasting businesses.	**A.D1** Assess the extent to which promotional activity supports the achievement of promotional objectives for a selected business.
Learning aim B: Review the effectiveness of the promotional mix used by different businesses		
B.P3 Explain the promotional mix used by contrasting businesses. **B.P4** Illustrate and explain the influences on the promotional activities used by contrasting businesses.	**B.M2** Analyse the factors that influence the choice of promotional activity in contrasting businesses.	**B.D2** Evaluate the extent to which internal and external factors will influence the success of promotional activity.
Learning aim C: Create a plan for a promotional campaign		**C.D3** Demonstrate individual self-management, research and initiative in the preparation and evaluation of a high-quality and creative plan for a promotional campaign.
C.P5 Describe the target market for a product or service offered by a selected business. **C.P6** Plan and prepare a costed promotional plan for a product or service for a selected business.	**C.M3** Assess the extent to which the proposed promotional plan meets both business and consumer needs.	

Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aim: A (A.P1, A.P2, A.M1, A.D1)

Learning aims: B and C (B.P3, B.P4, C.P5, C.P6, B.M2, C.M3, B.D2, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to a range of current business information on websites and from printed resources.

Essential information for assessment decisions

Learning aim A

For Distinction standard, learners will evaluate from their investigations how far a business's promotional activities are able to support business objectives. They will research the contrasting promotional activities of a suitable, local (or other) business and investigate the techniques and methods used. The work will be illustrated with examples of good practice, and reasoned conclusions will be drawn on the effectiveness of the chosen promotional activities.

For Merit standard, learners will have to analyse how effective the selected promotional activities of contrasting businesses are and give some examples of where this has been achieved.

For Pass standard, learners will explain why promotional activities are important to contrasting businesses, with some discussion of how and why these activities are undertaken.

Learning aims B and C

Learners should ensure they carefully select a business that will allow them to fully develop a promotional campaign. The choice of business should not be class- or teacher-led.

For Distinction standard, learners will evaluate the effects of internal and external influences on promotional activities used by contrasting businesses to contribute to the achievement of business aims. The work will be illustrated with reference to successful promotional activities/campaigns.

Learners will produce, and present individually, a creative plan for a promotional campaign demonstrating individuality in evaluation, thought and skill, as well as reaching justified conclusions on the plan itself and/or possible revision. This will be evidenced by an observation statement.

For Merit standard, learners will analyse factors that influence the choice of the investigated promotional activities. The work will use examples indicating an understanding of the promotional mixes described.

Learners will produce and present a creative plan for a promotional campaign using examples that show how this meets both business and consumer needs.

For Pass standard, learners will cover how different businesses use promotional campaigns and understand the promotional mix. They will identify a target market and produce and present a costed creative plan for a chosen business that shows understanding of the need to meet the demands of the chosen market.

Links to other units

This unit links to:

- Unit 2: Research and Plan a Marketing Campaign
- Unit 16: Visual Merchandising
- Unit 17: Digital Marketing
- Unit 22: Market Research
- Unit 24: Branding.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- business materials as exemplars
- design/ideas to contribute to unit assessment
- support from local business staff as mentors
- visits to appropriate businesses.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop communication and effective promotion skills.

Unit 19: Pitching for a New Business

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners study the practical skills and acquire the knowledge needed to undertake the necessary preparation and steps to set up and pitch for funding for a micro-business.

Unit introduction

Entrepreneurs explore potential business opportunities, select viable business ideas, prepare appropriate business plans and pitch these to potential investors. This unit will teach you how to carry out these steps which are critical to the development of new businesses.

This unit focuses upon pitching a new business idea for a micro-business – a business employing less than 10 people. This could be a business you want to start up yourself or in partnership with others. In this unit, you will investigate a potential micro-business idea and outline a business plan. You will present your business plan to potential investors with a view to securing appropriate funding. It is important that you are able to recognise what should be included in a pitch and how the process of idea formulation, selection, planning and presentation should be managed in order to secure funding.

This unit will develop the skills needed if you decide to set up your own business, or if you want to work in or study further a sector or area that needs entrepreneurial or innovative skills.

Learning aims

In this unit you will:

A Explore potential ideas for a micro-business start-up

B Develop a business plan for a viable micro-business start-up

C Carry out a pitch for funding for the chosen micro-business.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Explore potential ideas for a micro-business start-up	**A1** Exploration of ideas for a micro-business start-up **A2** Models for business opportunities **A3** Factors to be considered when setting up a micro-business	A portfolio comprising research, analysis and risk evaluation that collectively supports a specific recommendation for setting up a new micro-business.
B Develop a business plan for a viable micro-business start-up	**B1** Market analysis and planning **B2** Legal aspects **B3** Financial aspects **B4** Evaluation	A business plan with the detail to enable the pitch to be prepared. Professional presentation with supporting documentation designed to secure potential funding and to stimulate feedback, from which justified modifications to the proposal and pitch can be made.
C Carry out a pitch for funding for the chosen micro-business	**C1** Documents and materials for pitch to audience **C2** Professional presentation skills demonstrated in the pitch **C3** Review and evaluation of the pitch	

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Content

Learning aim A: Explore potential ideas for a micro-business start-up

A1 Exploration of ideas for a micro-business start-up

- Idea generation for new products, services and/or market for business opportunities.
- Decision matrix: generation of selection criteria and scoring for business opportunities.
- The application of business model canvas: activities; customer relationships; customer segments; key partners; value proposition; resources; cost structure; channels; revenue streams.

A2 Models for business opportunities

- Business activity: primary, secondary or tertiary sector of activity.
- Processes: manufacturing, outsourcing, sourcing, channels to market.
- Organisational form: structure, roles and responsibilities.

A3 Factors to be considered when setting up a micro-business

- Capability and core competencies.
- Time constraints.
- Financial constraints.
- Potential stakeholder influences.
- Access to physical resources.
- Availability of IT.
- Environmental influences.
- Internal risks.
- External risks.

Learning aim B: Develop a business plan for a viable micro-business start-up

B1 Market analysis and planning

- Target market definition.
- Secondary and primary research including government reports, customer focus groups, interviews, online questionnaires.
- Business environment: Porter and PESTLE.
- Marketing mix.
- Unique selling points (USPs).

B2 Legal aspects

- Business legal form and liability insurance.
- Consumer protection legislation.
- Employment legislation.
- Health and safety legislation.
- Data protection legislation.
- Environmental protection legislation.

B3 Financial aspects

- Pricing policy.
- Sales forecasts.
- Projected costs: set-up, fixed and variable costs.
- Break-even forecast.
- Cash flow forecast.
- Forecast opening and closing statement of financial position, capital structure to show investment necessary from potential investors.
- Forecast statement of comprehensive income for trading period.

B4 Evaluation

- Marketing mix SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis.
- Financial forecasts, including liquidity analysis, profitability analysis, sensitivity analysis.

Learning aim C: Carry out a pitch for funding for the chosen micro-business

C1 Documents and materials for pitch to audience

- Appropriate documents and materials that are detailed, appropriate, and relate to individual business proposal including business plan, cost structure, market research data, marketing plan, competitor analysis, risk analysis.
- Documentation to support funding investment including draft profit and loss statement, figures for gross and net profit margins, potential return on investment.
- Evidence of exploration of potential questions and answers from potential investors, including risk, expectations for return, share of ownership in the business.

C2 Professional presentation skills demonstrated in the pitch

- Presentation, behaviour and conduct of presenter, e.g. attire, attitude, business-like skills, suitable for audience, well prepared.
- Negotiation and communication skills.

C3 Review and evaluation of the pitch

- Receive feedback on the business content of the pitch, analyse feedback and make amendments accordingly.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Explore potential ideas for a micro-business start-up		
A.P1 Describe the potential business opportunities for a micro-business start-up. **A.P2** Review the factors that need to be considered to start up a micro-business.	**A.M1** Analyse the internal and external factors associated with a selected micro-business start-up.	**A.D1** Evaluate the internal and external factors associated with a selected micro-business start-up.
Learning aim B: Develop a business plan for a viable micro-business start-up		
B.P3 Explain your marketing plan for a selected micro-business. **B.P4** Explain how legal and financial aspects will affect the start-up of the business.	**B.M2** Analyse the financial and marketing plans for your micro-business.	**B.D2** Evaluate your plan for a micro-business and justify your conclusions.
Learning aim C: Carry out a pitch for funding for the chosen micro-business		**C.D3** Demonstrate individual responsibility and effective self-management in the preparation, delivery and review of the presentation of a high-quality pitch.
C.P5 Pitch for funding to start up a micro-business. **C.P6** Review the viability and risks of the start-up using audience feedback.	**C.M3** Effectively present an individual pitch to negotiate funding for a micro-business start-up, analysing audience feedback and viability issues.	

Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aim: A (A.P1, A.P2, A.M1, A.D1)

Learning aims: B and C (B.P3, B.P4, C.P5, C.P6, B.M2, C.M3, B.D2, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to a range of current business information on websites and from printed resources.

Essential information for assessment decisions

Learning aim A

For Distinction standard, learners will evaluate a range of internal and external factors for the small business start-up, along with how they can be a risk to the new business (at least four factors and four risks will be evaluated).

For Merit standard, learners will analyse the internal and external factors, ensuring there is a good range and noting that some factors and risks will affect some types of business and not others.

For Pass standard, learners will research a new business and the model outlined. Details of the activity and its processes, and the business form, will be evidenced in the portfolio. At least four factors will be explained. If learners work in groups to research and explore, work must be submitted individually in a professional portfolio. As this is for a micro-business, the choice of business should be a small entity that does not require more than four employees to start it up.

Learning aims B and C

Professional business language will be used and data must be realistic for the business. Learners will be encouraged to create their own plan template for the business plan. If learners work in groups, the group size should not exceed four. An individual plan is required in the portfolio.

Learners will need to pitch their plan to an informed audience, ideally a panel of local business people, staff and peers. It should be organised formally as if in the workplace. Witness statements will be produced and included in the learner's portfolio.

For Distinction standard, learners will show clear justification of the plan, giving reasons for all of its elements. A SWOT and sensitivity analysis will be used, together with a ratio analysis to give an evaluation of predicted success. Learners will present their plan individually. They will have used initiative and creativity in their pitch presentation, demonstrating a high standard of individual technical ability, attention to detail, innovation and precision.

For Merit standard, learners will show the range of financial statements and the marketing mix will be analysed, clearly demonstrating how sales figures were arrived at. All costs will be realistic for the size of the business. Learners will need to present a professional, individual pitch and analyse the feedback from the panel and viability issues.

For Pass standard, learners will design a coherent plan, comprising key sections, including legal and financial, supported with research. Learners will present their plan individually and will be able to answer questions on their plan asked by the panel.

Links to other units

This unit links to:

- Unit 4: Managing an Event
- Unit 9: Team Building in Business
- Unit 14: Investigating Customer Service.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers from small businesses
- participation in audience assessment of presentations
- work experience
- business materials as exemplars
- support from local business staff as mentors.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop entrepreneurial and innovative skills.

Unit 20: Business Ethics

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners develop an understanding of how organisations promote ethical behaviour in the workplace and consider the business case for implementing socially-responsible business practices.

Unit introduction

Business organisations are aware that the behaviour of consumers is increasingly influenced by the organisation's ethical behaviour, the way it conducts its working relationships, and how far it recognises the impact of its activities in a wider social and environmental context. To remain competitive in this environment, business organisations need to demonstrate high standards of ethical business behaviour and take account of the social and environmental impact of their production processes.

In this unit, you will consider a business organisation's relationship with its internal and external stakeholders from the perspective of business ethics and corporate social responsibility (CSR). You will explore the nature of ethical behaviour in a business context and the impact of business ethics on costs, operations, and the roles and responsibilities of managers and employees in the workplace. You will also examine the role and importance of CSR and how it influences an organisation's relationship with stakeholders in the wider external business environment.

This unit will help you progress to higher education courses exploring business ethics and CSR, and will enable you to make an informed choice of suitable CSR organisations for employment.

Learning aims

In this unit you will:

A Understand how ethical behaviour is applied in a business context

B Understand how corporate social responsibility is applied in a business context

C Investigate the impact of ethical and corporate social responsibility issues on business practices.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Understand how ethical behaviour is applied in a business context	**A1** Features of business ethics **A2** Industry and professional codes of practice **A3** The application of ethical values to business practices **A3** Business ethics and the individual	An investigative report profiling the way in which ethical and CSR initiatives are implemented by two different organisations.
B Understand how corporate social responsibility is applied in a business context	**B1** CSR issues and the impact on stakeholders **B2** Sustainability and the triple bottom line **B3** Promoting business ethics and CSR policies	
C Investigate the impact of ethical and corporate social responsibility issues on business practices	**C1** Strengthening a business organisation's CSR image **C2** Organisational responses to addressing ethical and CSR issues **C3** Reviewing business practices in relation to disaster recovery	A critical review of the response of an organisation to a business disaster resulting from unethical business practices or deficiencies in its CSR.

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Content

Learning aim A: Understand how ethical behaviour is applied in a business context

A1 Features of business ethics

- Definition of business ethics and characteristics and features of operating ethically in a business environment, to include:
  - business concepts of honesty and integrity
  - fairness and inclusion in a competitive business environment
  - concepts of respect and trust in relation to customers, stakeholders, competitors, the general public
  - legal governances and obligations in ethics.
- The influence of business ethics on corporate image to include:
  - vision statement
  - value statements
  - mission statements.

A2 Industry and professional codes of practice

- Examples, purpose and features of industry codes of practice, including:
  - mandatory and voluntary codes of practice
  - sanctions.
- Examples, purpose and features of professional codes of practice:
  - examples, e.g. ACCA Global and the Chartered Insurance Institute (CII) International Code of Ethics, The International Ethics Standards Board for Accountants (IESBA)
  - features, e.g. integrity, objectivity, professional competence, confidentiality, professional behaviour
  - sanctions.

A3 The application of ethical values to business practices

Features and characteristics of ethical and unethical practices in business organisations.

- Corporate governance and executive pay:
  - division of responsibilities, divorce of ownership and control
  - decision-makers have the requisite skills, principal agent problem
  - identification of risk
  - appropriate internal checks and controls, e.g. remuneration committees.
- Financial responsibilities:
  - responsibility to pay taxes promptly/tax avoidance
  - corrupt practices, including bribery and fraud
  - excessive remuneration, severance packages and corporate bonus systems.
- Employment and diversity policies:
  - promotion of diversity in the workplace
  - inclusion and equal opportunities in all areas of the organisation, from recruitment to promotion, and training opportunities
  - health and safety responsibilities.
- Organisations promoting ethical business behaviour:
  - international, e.g. Institute of Business Ethics, Fairtrade Foundation
  - national, e.g. Investors in People, FTSE4Good, Business in the Community
  - professional associations and institutes; trade unions.

- Potential business risks if ethical issues and considerations are not addressed:
  - legal, e.g.
    - consumer protection
    - employment practices
    - data protection
    - health and safety
  - financial, e.g.
    - sales and market share
    - profitability and financial performance
    - share price and company value
  - reputational, e.g.
    - consumer feedback
    - impact on the environment.

A4 Business ethics and the individual

- Influence of ethics on the behaviour of individuals, e.g. CEOs, employees, business owners.
- Strategies for promoting ethical behaviour in an organisation's workforce, to include:
  - contracts of employment
  - induction and ongoing training
  - codes of conduct
  - professional qualifications
  - ethical ambassadors
  - disciplinary sanctions.
- Discretionary decisions in job roles that may involve ethical considerations by an employee, to include:
  - remuneration and sales practices
  - dealing with the unethical behaviour of work colleagues
  - management and supervision of others.

Learning aim B: Understand how corporate social responsibility is applied in a business context

B1 CSR issues and the impact on stakeholders

- Definition of CSR.
- Impact of CSR initiatives on key stakeholder groups, including employees.
- Customers, suppliers, governments, local communities.
- Characteristics and purpose of CSR reports/social audits for:
  - internal stakeholders
  - external stakeholders.

B2 Sustainability and the triple bottom line

Consideration of the three principles of the triple bottom line, i.e. financial, social and environmental, when applied to business decisions in terms of sustainability.

- Environmental issues:
  - waste reduction and recycling
  - sustainability of resources
  - carbon and pollution reduction initiatives.

- Consumer protection statutory and legal requirements:
  - misleading or inappropriate advertising and false descriptions
  - effect of products on consumer health, e.g. product safety and food labelling.
- Supply chain and community statutory and legal requirements:
  - fair treatment and working conditions of employees of key suppliers
  - minimum/living wage for both own and supplier workforces
  - restrictive trading practices.

B3 Promoting business ethics and CSR policies

The benefits and drawbacks of applying business ethics and CSR in different types of organisation, including sole traders, plcs and multinational corporations.

- Financial benefits:
  - financial performance, e.g. increased sales volume and value, profitability, liquidity, efficiency share price and company value
  - access to loans and grants
  - ability to charge premium prices
  - risk reduction.
- Non-financial benefits:
  - improved customer loyalty and retention, positive brand image and social media profile
  - enhanced HR practices, including recruitment, motivation and staff retention
  - quality kite mark recognition and assured standards, and the impact on best practice promoting organisational change.
- Drawbacks of applying business ethics and CSR in different types of organisation, including sole traders, plcs and multinational corporations, including:
  - opportunity cost implications of implementing policies in relation to the business objectives of large and small businesses
  - impact on business strategy, e.g. distraction from core business objectives
  - cost versus benefit analysis of CSR, e.g. membership costs and recognition costs of professional bodies, monitoring costs, administration costs, additional direct and indirect staffing costs, including training costs, public perceptions of 'green washing'.

Learning aim C: Investigate the impact of ethical and corporate social responsibility issues on business practices

C1 Strengthening a business organisation's CSR image

Implementation of ethical behaviour and CSR initiatives in different business contexts, including small and large firms operating in different sectors of the economy.

- Internal environment:
  - HR practices, including the promotion of diversity and inclusion in recruitment practices, training opportunities and initiatives aimed at enhancing career pathways for under-represented groups
  - sustainable production, e.g. product innovation, procurement, energy utilisation.

- External environment:
  - transparency with consumers, e.g. marketing, sales promotions
  - transparency in financial matters, e.g. payment schedules and costs
  - education and support for the local community, e.g. sponsorships, charitable donations, environmental initiatives.
- Impact and consequences of activities that result in social and environmental costs:
  - public image and perceptions, e.g. TV and press coverage
  - financial implications, e.g. lower sales, fall in share price and compensation payments
  - legal implications, e.g. fines
  - government intervention to address unethical business practices, e.g. mis-selling of financial products.

C2 Organisational responses to addressing ethical and CSR issues

- Strategies available to address social and environmental costs using business communications strategies, e.g. press releases, press conferences, social media campaigns, advertisements.
- Community engagement, e.g. meeting with local community groups and their representatives.
- Changes to business practices, e.g. changes to production schedules, employment practices, changes in personnel and procurement systems.
- Financial compensation, e.g. payments to affected stakeholders.

C3 Reviewing business practices in relation to disaster recovery

Methods and approaches to critically reviewing the effectiveness of organisational response to business disasters impacting public perception of business ethics and corporate social responsibility.

- Public perception of impact of business disaster:
  - news media articles
  - pressure group activity, e.g. Plastic Pollutes, Greenpeace, Stop Child Labour Campaign
  - boycotting or withdrawal of custom
  - protests, e.g. social media campaigns, online petitions.
- Review of organisational response information in the public domain, e.g. policy changes, press releases/interviews, rebranding.
- Review of organisational response practices, e.g. personnel changes, compensation payments, remedial action, changes to working methods.
- Evaluating organisational responses and effectiveness:
  - scale of response against scale of disaster
  - language of communications, e.g. apologetic, evasive, defiant
  - effectiveness of policy changes, including short-term, long-term
  - evidence of change, or willingness to change working practices
  - reduction in negative publicity in media
  - public response to organisational response, e.g. returning custom, reduction in protest.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Understand how ethical behaviour is applied in a business context		
A.P1 Explain the concept of business ethics and how they are embedded in industry and professional codes of practice. **A.P2** Explain the practical application and impact of business ethics on business organisations and their employees.	**A.M1** Analyse the concept, application and impact of ethics in relation to business operations, and the behaviours of employees.	**A.D1** Evaluate business operations, and the behaviours of employees, in relation to the concept, application and impact of business ethics.
Learning aim B: Understand how corporate social responsibility is applied in a business context		
B.P3 Explain the concept and features of corporate social responsibility. **B.P4** Explain the benefits and drawbacks for different businesses implementing corporate social responsibility.	**B.M2** Assess the nature and impact of corporate social responsibility for different businesses.	**B.D2** Evaluate the effectiveness of different businesses' approaches to implementing corporate social responsibility policies.
Learning aim C: Investigate the impact of ethical and corporate social responsibility issues on business practices		
C.P5 Explain the impact of a business disaster on an organisation and its key stakeholders. **C.P6** Explain the effectiveness of an organisation's response to a business disaster.	**C.M3** Analyse the effectiveness of an organisation's response to a business disaster.	**C.D3** Critically evaluate the effectiveness of an organisation's response to a business disaster.

Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, B.P4, A.M1, B.M2, A.D1 and B.D2)

Learning aims: C (C.P5, C.P6, C.M3, C.D3)

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Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to information on a range of businesses, including local, national and international.

Essential information for assessment decisions

It is expected that learners in a cohort will individually select and research their choice of business organisations. Throughout the unit, learners will show individuality of thought, independent collection, collation and judgement of evidence.

The business organisations selected by the learner for learning aims A, B and C should be contrasting in terms of their features, for example ownership and liability, purpose, sector, scope and/or size.

Learning aims A and B

For Distinction standard, learners must differentiate between the different types of business risk. They will show clearly how specific ethical business practices in relation to both the individual employee and the functional areas within the organisation, along with CSR initiatives, can all serve to reduce the direct and indirect financial impact of business risks. Learners will be able to identify and justify good practice in an organisation in respect of ethical behaviour and CSR. The impact of ethical standards and CSR initiatives will be considered with regards to a wide range of different business stakeholders.

For Merit standard, learners must consider a broad range of business risks and show how different business practices relating to ethics and CSR initiatives can impact business stakeholders. They will discuss the application of standards of ethical behaviour in respect of individuals and show how these standards are applied in different functional areas within the business organisation. Learners will show a clear distinction between the operating practices of different organisations.

For Pass standard, learners must demonstrate an understanding of the main ethical considerations faced by each business organisation and the potential risks if ethical business standards are not maintained. These could include the potential ethical issues that may be faced by employees in their work roles in each organisation. Learners identify the common features of CSR practices and highlight the business considerations that need to be taken into account when implementing CSR initiatives. Learners will differentiate between ethical practices and CSR initiatives, and highlight some of the financial and non-financial benefits for each organisation in respect of its ethical and CSR practices. Responses will be generally accurate with each of the points addressed to some extent.

Learning aim C

Learners critically review the response of a business to a business disaster arising from either unethical business practices or behaviours incompatible with its corporate social responsibilities.

For Distinction standard, learners must show an in-depth understanding of situational analysis to undertake relevant research showing the relationship between a business's CSR policy objectives and its business practices. Learners will demonstrate an understanding of the complex relationship between business ethics and the application of CSR initiatives in a competitive business environment, clearly distinguishing between the costs and benefits of these initiatives in relation to identified business risks. Learners must produce relevant evidence of the way in which a business handles its relationship with key stakeholders when dealing with ethical and CSR issues. Learners will identify the conflicts that arise when attempting to meet the competing needs and interests of different stakeholder groups, highlighting any practices that may contradict the business's stated value statements and CSR objectives. Learners must draw conclusions based on an analysis of stakeholder views and present their own balanced view based on the outcome of their individual research.

For Merit standard, learners must show a detailed understanding of how a business's actions support its ethical and CSR policies and public statements. Learners will identify the financial and non-financial costs of ethical practices and CSR initiatives. They will demonstrate a thorough understanding of situational analysis to identify the impact of a business disaster on key stakeholder groups and how this affects business operations, clearly distinguishing between financial and non-financial outcomes. Learners will undertake an assessment of the costs involved in dealing with the disaster in relation to the needs and interests of different stakeholder groups. Learners will draw valid conclusions of how the business dealt with the disaster based on an analysis of stakeholder views.

For Pass standard, learners must carry out research on a specific business to identify examples of how it promotes ethical behaviour and CSR. Learners must show an understanding of situational analysis by researching how the business dealt with a major disaster that involved its ethical and corporate social responsibilities. For example, the disaster could be an issue relating to the environment, its trading practices or its production processes. Learners provide a summary of the main issues involved, including the impact of the disaster on the business. Learners will highlight how the business dealt with the disaster and provide a personal judgement of how far they consider the business met its ethical and corporate social responsibility obligations.

Links to other units

This unit links to:

- Unit 7: Business Decision Making
- Unit 32: Business and Environmental Sustainability.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop investigation skills.

Unit 21: Training and Development

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners study training and development and recognise that successful businesses need to plan and manage the training programmes they offer.

Unit introduction

What is the difference between training and development? Training can be defined as teaching someone new skills or knowledge, while development enables them to be more productive and effective at work. Training and development is an expense to the business but an investment that helps staff to perform better. Types of training and development differ, as they must meet both the objectives of the business and the individual. If the business is to compete effectively in today's market, it is important that training and development is updated constantly.

In this unit, you will learn that training and development is the key to running a successful business; managers need to have well thought-out training plans in place. For a business to succeed, it needs staff with the correct range of up-to-date skills and knowledge that will allow them to perform effectively. A good manager will be able to identify training needs across the business, understand the cost that comes with training, and be able to provide and monitor training programmes in their training budgets.

This unit will help you by developing relevant business knowledge and understanding to progress into employment, vocational training or higher education.

Learning aims

In this unit you will:

A Investigate training and development in a selected business

B Examine the planning and delivery of training programmes in a selected business

C Develop an appropriate induction programme for a group of new starters in a selected business.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Investigate training and development in a selected business	**A1** Training and development **A2** Reasons for training **A3** Identification of training needs	A professional presentation with speaker notes that examines training and development in a selected business setting, and the likely financial and non-financial costs and benefits to the business.
B Examine the planning and delivery of training programmes in a selected business	**B1** Types of training **B2** Costs and benefits of training and development	
C Develop an appropriate induction programme for a group of new starters in a selected business	**C1** Induction **C2** Benefits of a good induction programme and costs of a poor induction programme **C3** Developing an appropriate induction programme	A plan for a group of new starters based on independent research that covers their first month at the business, accompanied by appropriate checklists. The selected business could be one where they are carrying out a work-related activity such as work experience.

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Content

Learning aim A: Investigate training and development in a selected business

A1 Training and development

- Training is the acquisition of skills, knowledge and competencies as a result of teaching.
- Development teaches staff how to become more productive and effective.

A2 Reasons for training

To fulfil business objectives:

- strategic, e.g. to increase profit and turnover, to become market leader
- operational, e.g. to increase productivity, to introduce new technology, to improve health and safety, to satisfy government legislation, to create a more flexible workforce, to introduce succession training for promotion, to improve job performance and motivation
- departmental, e.g. to meet sales targets, to improve customer service
- individual, e.g. to prepare for change, new job role, new equipment, new procedures, new products and/or services, new technology, new range of customers.

A3 Identification of training needs

Training Needs Analysis (TNA) or Training and Learning Needs Analysis (TLNA) is a health check on the skills, talent and capabilities of the business, which:

- reviews current skill levels of staff
- identifies skills/knowledge gaps in the business/of an individual
- looks at new skills that could take the business forward.

Learning aim B: Examine the planning and delivery of training programmes in a selected business

B1 Types of training

- Internal/in-house/on-the-job training, e.g. induction, coaching, mentor/buddy systems, shadowing, peer training, job rotation, projects, business documentation, presentations, wikis.
- External/off-the-job training, e.g. secondments, e-learning/online learning, vocational and professional courses, conferences, seminars, workshops.
- Integration of strategies, e.g. course of study with work-based learning, day release systems.
- Training programmes, e.g. graduate, management.

B2 Costs and benefits of training and development

- Costs:
  - planning, e.g. identification and assessment of training needs
  - programme development and design, e.g. research, purchase of training materials and supplies
  - delivery, e.g. trainers, training spaces, refreshments, technology such as Wi-Fi, and audio-visual (AV) equipment
  - evaluation, e.g. time spent evaluating the training
  - time, e.g. staff involved away from productive work.
- Benefits, e.g. increased productivity, increased efficiency, better quality of service, reduction in complaints, higher morale, staff retention.

Learning aim C: Develop an appropriate induction programme for a group of new starters in a selected business

C1 Induction

- Induction is the process whereby employees adjust, or acclimatise, to their jobs and working environment.
- The purpose of induction is to ensure the effective integration of staff into, or across, the business for the benefit of both parties.

C2 Benefits of a good induction programme and costs of a poor induction programme

- An induction programme is SMART training that provides all the information needed by new employees, and develops the relevant skills, knowledge and behaviour that their posts require.
- Benefits of a good programme:
  - helps the individual understand their role, the department they work in and the business as a whole
  - familiarises them with the physical environment, the culture and the business's procedures and policies
  - makes sure they understand their responsibilities, e.g. health and safety duties, contract of employment duties
  - enables staff to quickly become more productive.
- Costs of a poor programme:
  - limited understanding of the business and their role
  - lack of engagement
  - low morale
  - poor relationships with colleagues
  - poor quality of work
  - damage to the reputation of the business
  - employee resigns/is dismissed.

C3 Developing an appropriate induction programme

- Induction programme, e.g. pre-employment packs/letters/handbooks, outline of job requirements, explanation of terms and conditions, explanation of key policies and business objectives, physical orientation, organisational orientation, awareness of functions of the business, meeting key employees, health and safety, practical information, follow-up meetings.
- Communication techniques, e.g. presentations (PowerPoint/overheads/slides/ videos), talks, discussions, introductory one-to-ones, company documentation, visits, tours, e-learning, internet/interactive facilities, off-site training.
- Stage of induction:
  - pre-employment
  - first day
  - first week
  - first month and beyond.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Investigate training and development in a selected business		**A.D1** Evaluate the contribution that training and development make to fulfilling the objectives of the selected business.
A.P1 Explain why a selected business trains its employees. **A.P2** Describe how a selected business identifies training needs.	**A.M1** Assess the reasons for training in a selected business.	
Learning aim B: Examine the planning and delivery of training programmes in a selected business		**B.D2** Evaluate the likely costs and benefits of different types of training for individual needs in a selected business.
B.P3 Describe the types of training and development used by a selected business. **B.P4** Explain the impact training has had on an individual in a selected business.	**B.M2** Analyse the likely costs and benefits of different types of training to a selected business and its staff.	
Learning aim C: Develop an appropriate induction programme for a group of new starters in a selected business		**C.D3** Evaluate the likely impact of the induction programme on the business and the individuals.
C.P5 Plan an appropriate induction programme for a group of new starters in a selected business using own research.	**C.M3** Assess the factors likely to make induction successful for new starters in the selected business.	

Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, B.P4, A.M1, B.M2, A.D1, B.D2)

Learning aim: C (C.P5, C.M3, C.D3)

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Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to a range of current business information from websites and printed resources, including training and development materials.

Essential information for assessment decisions

Learning aims A and B

The choice of business should be individual and not teacher/class led.

For Distinction standard, learners will research and select relevant evidence to show why, and how, a selected business trains its staff. Learners must be able to successfully present the information gathered, and produce a fully-supported evaluation of the reasons for training, plus evaluate the costs and benefits of training.

For Merit standard, learners will select and apply relevant knowledge of training and development. Learners must demonstrate clear assessment and analysis of the financial and non-financial costs and benefits of training and how it can support the business; examples will be included to underpin analysis.

For Pass standard, learners will carry out research that allows them to explain why a business trains employees, and the types of training a selected business offers.

Learning aim C

For Distinction standard, learners will formulate an induction programme and evaluate its likely impact, both on the selected business and the individuals. Learners must be able to come to a reasoned conclusion as to the strengths of their plan and the benefits it would offer the business and the employees.

For Merit standard, learners will formulate a plan that would be suitable for a group of inductees and include how it would be monitored. Learners will assess the likely effects of the proposed plan on both the selected business and the new recruits.

For Pass standard, learners will prepare a plan that would be suitable for a formal induction of new recruits to a business, covering pre-employment and beyond. The plan must be fully documented and include checklists to monitor the induction process.

Links to other units

This unit links to *Unit 8: Human Resources*.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- participation in audience assessment of presentations
- design/ideas to contribute to unit assignment/case study/project materials
- work experience
- business materials as exemplars
- support from local business staff as mentors.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop planning and presentation skills.

Unit 22: Market Research

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners examine the different aspects of market research used by businesses. They will undertake a research project, interpret their findings and produce a report.

Unit introduction

This unit will develop your research skills and your understanding of the role marketing information plays in identifying and satisfying customers' needs.

In this unit, you will examine the purpose and type of market research undertaken in a business, consider the objectives of the research and the processes followed. You will plan and undertake a research activity using the most appropriate design and sampling method. You will analyse and interpret market research data and present your findings. You will use this knowledge to make recommendations for improvements to the market research process for a selected business.

This unit will give you an insight into the importance of collecting and interpreting marketing information as a tool for making wider marketing decisions, and enable you to make an informed choice on the suitability of this marketing area as a possible employment or training opportunity.

Learning aims

In this unit you will:

A Examine the types of market research used in business

B Plan and implement a market research activity to meet a specific marketing objective

C Analyse and present market research findings and recommend process improvements.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Examine the types of market research used in business	**A1** Purpose of market research **A2** Types of research **A3** Appropriateness of choice of research	Report explaining the different types of research used in a chosen business. The report will judge the appropriateness of each type of research for a stated purpose.
B Plan and implement a market research activity to meet a specific marketing objective	**B1** Planning stage **B2** Implementation stage	Market research plan detailing methods and sample size, to be used together with a copy of the pilot questionnaire and some pilot research. Final questionnaire with sampling plan accompanied by evidence of the research data collected.
C Analyse and present market research findings and recommend process improvements	**C1** Statistical analysis and interpretation of primary and secondary research **C2** Presentation of research results **C3** Value of the information	Analysis and interpretation of market research activity using a range of statistical methods to meet a specific marketing objective. Recommendations to improve the quality of the process/data.

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Content

Learning aim A: Examine the types of market research used in business

A1 Purpose of market research

- Understand customer behaviour.
- Determine buying trends.
- Investigate brand/advertising awareness.
- Aid new product development.
- Investigate feasibility of entry into new markets.
- To meet marketing objectives.

A2 Types of research

- Qualitative and quantitative.
- Secondary research.
- Internal sources:
  - loyalty schemes
  - EPOS records
  - website monitoring
  - accounting records
  - specialist market research agencies.
- External sources:
  - internet
  - government statistics
  - competitor reports
  - specialist market intelligence agencies, e.g. Mintel, IPSOS, Mori.
- Primary research:
  - surveys
  - observation
  - e-marketing
  - focus groups
  - pilot research.

A3 Appropriateness of choice of research

- Cost.
- Accuracy.
- Timelines.
- Response rates.

Learning aim B: Plan and implement a market research activity to meet a specific marketing objective

B1 Planning stage

- Problem definition.
- Set research objectives.
- Budget.
- Determine what data is to be collected.
- Methods to be used:
  - secondary and primary
  - quantitative and/or qualitative.
- Pilot questionnaire design:
  - question types
  - sequencing
  - length of questionnaire
  - avoiding bias
  - relevance of questions to objectives.
- Pilot sampling plan.
- Probability sampling:
  - random
  - systematic
  - stratified
  - cluster.
- Non-probability sampling:
  - quota
  - convenience
  - observation.
- Sample size and effect on confidence levels.
- Pilot research.

B2 Implementation stage

- Review of pilot primary research.
- Final questionnaire design.
- Final sampling plan.
- Data collection, primary and secondary.

Learning aim C: Analyse and present market research findings and recommend process improvements

C1 Statistical analysis and interpretation of primary and secondary research

- Data analysis/interpretation:
  - arithmetic mean, mode, median
  - range and interquartile range
  - standard deviation
  - time series
  - scatter diagrams and trends.
- Interpretation of secondary research.

C2 Presentation of research results

- Reports, tables, graphs.
- Presentation of conclusions and recommendations.
- Awareness of audience type.

C3 Value of the information

- Limitations of the research:
  - sufficiency
  - accuracy
  - bias
  - subjectivity
  - reliability of sample.
- Recommend improvements to the process.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Examine the types of market research used in business		
A.P1 Explain the range of market research methods used by a selected business.	**A.M1** Assess, using suitable examples, how different market research methods are appropriate in helping to meet marketing objectives and inform decision making.	**A.D1** Justify the use of specialist marketing agencies for carrying out original market research.
Learning aim B: Plan and implement a market research activity to meet a specific marketing objective		
B.P2 Undertake secondary research for a selected marketing objective. **B.P3** Undertake pilot primary market research and collect sample data. **B.P4** Undertake the final market research activity using a detailed sampling plan to obtain a range of secondary and primary data.	**B.M2** Analyse the reasons for choosing particular research methods, the type of data to be collected and the sampling plan.	**B.D2** Evaluate the effectiveness of the pilot research, recommending changes that should be made to the final market research activity.
Learning aim C: Analyse and present market research findings and recommend process improvements		**C.D3** Assess the limitations of the data collected and justify research planning process improvements in light of the work undertaken.
C.P5 Interpret findings from the market research undertaken, presenting them in a range of different formats.	**C.M3** Analyse the findings of the market research using a wide range of statistical techniques and comment on confidence levels.	

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Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of three summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aim: A (A.P1, A.M1, A.D1)

Learning aim: B (B.P2, B.P3, B.P4, B.M2, B.D2)

Learning aim: C (C.P5, C.M3, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners must have access and facilities to enable the required research for the unit.

Essential information for assessment decisions

Learning aim A

For Distinction standard, learners will judge the usefulness of using specialist external agencies when carrying out original new market research. The work will be supported by appropriate examples throughout.

For Merit standard, learners will assess the different types of research that can be used by a selected business that has different marketing objectives.

For Pass standard, learners will include in their report examples of types of research used by a selected business. It will be fit for purpose, professional and written in appropriate business language. The report explains at least two primary and two secondary types of research for the business and will use realistic examples.

Learning aim B

For Distinction standard, learners will plan a small-scale market research activity for a stated purpose. They will carry out a pilot survey, evaluate the effectiveness of their pilot research and recommend changes to be made prior to undertaking the final market research activity. Both pilot and final research findings must be provided as an appendix to the learners' work.

For Merit standard, learners will analyse their final plan, consider the methods chosen and their suitability for the stated purpose. Pilot data will be collected and changes will be made to the plan before learners undertake the actual research. The analysis will cover the type of data to be collected and include both primary and secondary methods. The sampling plan will include sample type and size.

For Pass standard, learners will produce a plan for carrying out both primary and secondary research. At least two methods of each type must be included in the plan. Pilot data will be collected before learners undertake the actual research.

Learning aim C

For Distinction standard, learners will produce a short report that assesses the limitations of the data collected in terms of its accuracy, subjectivity, bias and reliability. The report must go on to judge the effectiveness of the process undertaken in terms of meeting the research/marketing objectives, and to make recommendations for improvements based on the experience gained.

For Merit standard, learners will use a wide range of statistical analysis techniques to fully interpret the findings of the market research data collected, and present these findings using charts, tables and diagrams to show the outcomes of the data analysis.

For Pass standard, learners will present a basic interpretation of the research data using at least two different formats and two statistical techniques.

Links to other units

This unit links to *Unit 2: Research and Plan a Marketing Campaign*.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- participation in audience assessment of presentations
- design/ideas to contribute to unit assignment/case study/project materials
- work experience
- business materials as exemplars
- support from local business staff as mentors.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop research, planning and analysis skills.

Unit 23: Work Experience in Business

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners study the benefits of work experience in business. They reflect on their practical workplace skills by completing forty hours of appropriate work experience.

Unit introduction

Are you thinking about a career in business and would like to gain experience to prepare for the kind of job you would like to do? Work-related learning opens your eyes to a range of opportunities in business. It gives you first-hand practical experience and the chance to see what a variety of different jobs are really like, including some you may never have considered. It will give you a means of documenting practical experience, planning for personal and professional development and reflecting on your own skills.

In this practical unit, you will learn about different types of work-related learning and their benefits. You will learn what information you need before starting the placement, and how the placement can help you to develop key competencies needed for employability such as self-management, team working, problem-solving and communication skills. You will learn more about the expectations of different roles. You will research and take on relevant work experience, and evaluate your performance through a reflective journal.

Work experience is highly valued by employers for a variety of careers in the business sector; employers are looking to recruit those who have some knowledge of the world of work. A record of your work experience is also an advantage for higher-education-level study and courses.

Learning aims

In this unit you will:

A Investigate opportunities for work-related learning

B Carry out work experience in an appropriate and safe manner

C Reflect on work experience undertaken and its influence on own personal and professional development.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Investigate opportunities for work-related learning	**A1** Work-related learning **A2** Outcomes and benefits of work experience **A3** Planning for work experience	A resource portfolio including details of research into a placement. A diary/journal/log/online blog and portfolio. This will cover tasks done and refer to health and safety.
B Carry out work experience in an appropriate and safe manner	**B1** Induction **B2** Role and tasks **B3** Working safely	
C Reflect on work experience undertaken and its influence on own personal and professional development	**C1** Learning from work placement **C2** Using feedback and setting goals	Reflection for a personal/professional development portfolio (PDP).

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Content

Learning aim A: Investigate opportunities for work-related learning

A1 Work-related learning

(a minimum of 40 hours in total is required)

- Work experience opportunities, work placement: a period of work experience arranged with an employer.
- Voluntary work: any type of work undertaken for no payment.
- Part-time work: paid or unpaid work undertaken.

A2 Outcomes and benefits of work experience

- Clarifying career goals.
- Gaining insight into the way businesses operate and the challenges they face.
- Increasing skills and knowledge.
- Networking.
- Understanding a particular job or industry.
- Gaining referees.
- Attending in-house training courses.

A3 Planning for work experience

- Opportunities for work experience.
- Gaining information about the business, e.g. from company leaflets, brochures or website, learners who have previously been on a work placement at the same business, staff from the business, conversation or correspondence with business.
- Key information, e.g. hours of work, absence procedures, dress code, practical considerations such as criminal background checks.
- Application process.

Learning aim B: Carry out work experience in an appropriate and safe manner

B1 Induction

- Information about the business, e.g. structure, features.
- Work placement roles.
- Health and safety responsibilities, e.g. evacuation procedures, first-aid procedures, reporting hazards.
- Reporting absence and late arrival.
- Confidentiality.
- Shadowing.

B2 Role and tasks

- Carrying out activities within the extent and limitations of role and responsibilities.
- Understanding how the role will develop key competencies needed for employability, e.g. self-management, teamwork, problem-solving, communication skills.
- Following instructions.
- Communicating with others.
- Self-management.
- Appropriate interaction.

B3 Working safely

- Identifying potential risks and hazards, e.g. slipping on wet floor, tripping over trailing wires, loud noise resulting in hearing loss, breathing in toxic substances.
- Personal safe conduct, e.g. applying organisational procedures, following and upholding health and safety rules, safe lifting, applying guidelines from training manual, following dress codes, personal safety equipment.

Learning aim C: Reflect on work experience undertaken and its influence on own personal and professional development

C1 Learning from work placement

- Reflection on knowledge gained:
  - knowledge of new vocational area or area of interest
  - confirming whether or not to work in a particular sector or industry
  - to find out further information about a particular career, industry or business.
- Reflection on skills used and gained.
- Personal skills:
  - communication
  - problem solving
  - self-confidence
  - assertiveness
  - flexibility
  - positive approach.
- Work skills:
  - IT
  - teamwork
  - note taking
  - meeting attendance
  - punctuality
  - telephone manner
  - business and customer awareness
  - following instructions.
- Reflection on experiences gained:
  - identifying what went well and what could be improved
  - challenges faced
  - problems arising and how these were overcome or resolved.

C2 Using feedback and setting goals

- Feedback from teachers, supervisors, mentors and peers, e.g. identifying areas of positive and constructive feedback, highlighting areas for improvement.
- Setting goals for personal and professional development, e.g. short-term, long-term, personal, work-related goals, skills development, qualifications targeted.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Investigate opportunities for work-related learning		
A.P1 Describe three realistic opportunities for work experience in business and how each can prepare you for the workplace. **A.P2** Explain your preparation for a selected work experience opportunity.	**A.M1** Analyse the benefits of work experience and how it can support you in gaining a realistic understanding of opportunities in business.	**A.D1** Evaluate how preparing for work experience can support your understanding of the workplace and appropriate career opportunities.
Learning aim B: Carry out work experience in an appropriate and safe manner		
B.P3 Complete a logbook which explains your role in a selected appropriate work experience. **B.P4** Describe in your logbook the activities you undertook in the workplace.	**B.M2** Analyse the importance of carrying out your role in a safe and appropriate manner.	**B.D2** Evaluate the effectiveness of the business's induction and health and safety practice, making recommendations for improvement.
Learning aim C: Reflect on work experience undertaken and its influence on own personal and professional development		
C.P5 Review own strengths and areas for development during work experience. **C.P6** Identify improvements to be made to own personal and professional skills in response to feedback from work experience.	**C.M3** Assess your performance during work experience, making recommendations for personal and professional development.	**C.D3** Evaluate your work experience, drawing reasoned conclusions as to how it can support your future career.

Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, B.P4, A.M1, B.M2, A.D1, B.D2)

Learning aim: C (C.P5, C.P6, C.M3, C.D3)

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Further information for teachers and assessors

Resource requirements

For this unit learners must have access to a work placement / internship for a minimum of 40 hours.

Essential information for assessment decisions

Learning aims A and B

For Distinction standard, learners will carry out in-depth research and select relevant evidence to show how they chose an appropriate work experience opportunity. Learners will successfully use a variety of research techniques, choose and procure an appropriate placement, and produce a fully supported evaluation of the benefits of the placement. Learners will evaluate the health and safety in their placement businesses and make recommendations for any required improvements.

For Merit standard, learners will select and apply relevant knowledge of work experience. Learners will demonstrate clear analysis of the benefits of work experience and how it can support them in gaining a realistic understanding of opportunities in business. They will also clearly explain the importance of carrying out their role in their chosen work experience in a safe and appropriate manner.

For Pass standard, learners will carry out research that allows them to initially explain appropriate work experience opportunities, then subsequently choose and describe their undertakings and skills shown in a work experience role.

Learning aim C

For Distinction standard, learners will carry out in-depth reflection on their work experience and its benefits for their career in the future. Learners will come to a reasoned conclusion, supported by relevant evidence and feedback from others, as to their strengths and weaknesses and reflect on opportunities for improvement.

For Merit standard, learners will reflect to show that they have assessed the workplace skills they have been shown and, listening to the feedback from others, the skills they will need in future workplaces. Learners will be able to successfully support their assessment with examples from the work experience.

For Pass standard, learners will reflect to show an understanding of the skills needed in the workplace, both personal and professional, and use the feedback gained to suggest goals for improvement.

Links to other units

This unit links with all other units in the specification.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- work experience
- business materials as exemplars
- support from local business staff as mentors.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop team working and self-management skills.

Unit 24: Branding

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners will investigate the role of branding and explore how it is used and will give recommendations for changes to a brand for a selected product.

Unit introduction

Brands surround us in our everyday lives. People may judge others by their brand of car, their brand of clothes or the brand of drinks they consume. Brands can help give people identity and image. Because of this, marketing is often brand driven, with the objective of establishing a product (good or service) with a separate identity in consumers' minds, making the product desirable, wanted and even needed. Messages are carefully crafted to build customer views and expectations of the products associated with the brand. Constant advances in digital-based processes and systems, and changes in customer behaviour and their use of social media, present a challenge for businesses who work to maintain, develop or reinforce their brand identity. Businesses invest a huge amount of effort and resources to ensure that the customer recognises and responds to their brand identity in the right way.

In this unit, you will consider the ways in which businesses use branding to achieve their marketing objectives and business aims. You will explore the ways in which branding influences the marketing mix and how brand-strategy recommendations are developed according to market needs.

This unit will support your continuing studies of branding through a marketing-related degree or a professional qualification. The unit will also give you the skills you need to progress to employment in a branding-related role.

Learning aims

In this unit you will:

A Investigate the role of branding in a selected business

B Review how branding is used by a selected business

C Recommend changes to a brand for an existing product.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Investigate the role of branding in a selected business	**A1** Principles of branding **A2** Brand as an asset **A3** Benefits and drawbacks of branding for a business	A report on the impact of branding on a selected large business.
B Review how branding is used by a selected business	**B1** Branding as part of business strategy **B2** Brand design **B3** Factors influencing branding activities	A report on the extent to which the branding of a product meets the aim(s) of the selected large business, including recommendations on changes to be made to a brand in response to a brand audit.
C Recommend changes to a brand for an existing product	**C1** Challenges of managing brands **C2** Changing a brand	

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Content

Learning aim A: Investigate the role of branding in a selected business

Learners will understand the principles of branding, the value of a brand and the benefits and drawbacks of branding to a business.

A1 Principles of branding

- Product: good or service.
- Branding: the elements that define the image, ethos and tone of a business and its products.
- Brand: a characteristic name, symbol or shape that distinguishes a product from that of another supplier.
- Brand portfolio: a collection of brands under the control of a business.
- Types of brand:
  - business name such as manufacturers and retailers
  - product and product ranges such as cars or drinks
  - person such as a celebrity actor, singer or entrepreneur.
- Use of branding:
  - new brands
  - brand extensions
  - sub-brands
  - product extension.
- Target audiences for brands.
- Consumer feelings about and connections with a brand:
  - brand awareness and recognition of the brand
  - perceived qualities associated with the brand
  - loyalty to the brand.
- Customer loyalty ladder:
  - suspects to prospects
  - prospects to customers
  - customers to clients
  - clients to advocates.
- Branding as part of the marketing mix.

A2 Brand as an asset

- Value of a brand: the total financial value of a brand.
- Brand equity (positive and negative): the differential effect that knowing the brand name has on a customer's response to the product and its marketing, the value of your brand beyond physical assets.
- Customer equity: the value of customer relationships that a brand creates.
- Protecting the brand: legal issues – trademark registration, copyright, patent registration/IP (intellectual property).

A3 Benefits and drawbacks of branding for a business

- Benefits of strong branding:
  - differentiates the product from the competition
  - increases customer engagement
  - increases customer loyalty and customer advocates
  - can command premium prices/higher prices than non-branded products
  - reduces price sensitivity
  - increases value of the business
  - makes consumer choice and recognition of products easier
  - strong brand awareness leads to high sales and high market share
  - retailers and service sellers are more likely to stock top-selling brands than less well-known brands
  - brand portfolios allow businesses to compete in many different marketplaces with a range of product lines.
- Disadvantages of branding:
  - may take years to build a brand
  - high cost of advertising, keeping brand in the customers' eyes
  - loss of brand value for one product can affect a range of similar products
  - brands invite competition and copycats
  - high cost of research and development in ensuring brand continues to develop and lead the market.

Learning aim B: Review how branding is used by a selected business

Learners will understand how branding and business strategies align, and how branding activities can be affected by internal and external factors.

B1 Branding as part of business strategy

- Brand strategy:
  - a long-term plan for the development of a successful brand in order to achieve specific goals
  - aligns with business aims and objectives for the product
  - influences the marketing strategy of a business.

B2 Brand design

- Brand values: reflecting the core values and culture of the business and its employees.
- Brand personality and voice.
- Brand identity.
- Brand names: descriptive, evocative, inventive, geographical, acronym, founder, lexical.
- Brand elements:
  - intangibles – promise, personality, positioning and emotion
  - tangibles – identifying symbols, e.g. logos, graphics, colours, and sounds, e.g. music, jingles, voice.
- Using packaging to communicate a brand.

- Touchpoints – any place where consumers encounter a brand such as:
  - advertising
  - business vehicles and livery used
  - company clothing, e.g. uniforms
  - signage and logos
  - branded mobile apps
  - content marketing, to include web landing pages, blogging, videos, podcasts, email, social media sites and communities.

B3 Factors influencing branding activities

- Internal influences:
  - size of the business
  - stage of the business – start-up, growth, decline
  - type of product
  - geographical location of business
  - budget for branding.
- External influences:
  - competition from other businesses
  - social pressure and conventions relating to the product
  - political climate
  - advances in technology and scope of digital platforms available
  - digital impact of customers communicating positively and negatively about the brand.

Learning aim C: Recommend changes to a brand for an existing product

Learners will understand how brands are managed and why they are changed, and how this is achieved.

C1 Challenges of managing brands

- Brand management: analysis and planning of how a brand is perceived in the market, brand success and brand failure.
- Maintaining branding relationship with customers throughout the product lifecycle.

C2 Changing a brand

- Brand audit – a formal assessment of a brand's strengths and weaknesses, to include:
  - existing marketing strategies, materials and communications
  - the customer perception of brand through primary and secondary data, such as questionnaires, focus groups, customer satisfaction surveys, sales and revenue data, blogs
  - comparison with competitors' brands for similar products.
- Changing the perceptions of a brand:
  - re-branding
  - brand refreshing
  - brand relaunching.

- Reasons for changing a brand:
  - change in business focus
  - changes in the market
  - trends
  - changes in customer behaviour, values and needs
  - competitors' branding strategies
  - technological and digital impact.
- Changes in branding and promotion to reflect social trends:
  - viral marketing – encouraging consumers to share information about products via the internet
  - social media sites – used to show benefits and features of products to differentiate from the competition
  - emotional branding – creating a bond between the consumer and the product by creating an emotional response to the advertising.

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Assessment criteria

Pass	Merit	Distinction
Learning aim A: Investigate the role of branding in a selected business		
A.P1 Explore the principles of branding for a selected large business. **A.P2** Explain how brands can be an asset to a selected large business.	**A.M1** Analyse the advantages and disadvantages of branding to a selected large business.	**A.D1** Evaluate the impact of branding on a selected large business.
Learning aim B: Review how branding is used by a selected business		
B.P3 Review how branding is used by a selected business. **B.P4** Explain, using examples, the branding of two contrasting products in a selected large business.	**B.M2** Analyse the potential impact of internal and external factors on branding activities of a product.	**B.D2** Evaluate the extent to which the branding of a product meets the aim(s) of a selected large business.
Learning aim C: Recommend changes to a brand for an existing product		
C.P5 Explain the challenges of managing an existing brand for a product. **C.P6** Investigate an existing brand for a product using a brand audit.	**C.M3** Analyse the reasons why an existing brand for a product may need to change.	**C.D3** Justify suggested changes to an existing brand for a product.

Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aim: A (A.P1, A.P2, A.M1, A.D1)

Learning aims: B and C (B.P3, B.P4, C.P5, C.P6, B.M2, C.M3, B.D2, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to a range of current marketing information on websites and from printed resources.

Essential information for assessment decisions

Learning aim A

Learners will carry out an investigation into a large business with a reputation for strong brands. They must ensure that they select a business that will give them the depth of information required to cover all assessment criteria fully. The choice of business will be individual and not teacher-led.

For Distinction standard, learners will investigate a large business, looking in detail at the branding of the business and using their results to make reasoned judgements. They will come to a supported conclusion on the impact of branding on that business. They will show understanding of the link between branding and achieving the aims and objectives of the business such as an increase or improvement in market share, and improved competitive advantage.

For Merit standard, learners will investigate a large business and explore its application of the principles of branding. They will analyse the advantages and disadvantages of branding to the business, including an explanation of how brands can be an asset.

For Pass standard, learners will carry out research into a selected large business to explore its application of the principles of branding and explain how brands can be an asset.

Learning aims B and C

Learners will continue their investigation into the business chosen for learning aim A.

For Distinction standard, learners will investigate the reasons for the business having a brand strategy. They will look in more depth at the branding of one of the two products investigated, and explain the challenges of managing this brand and the potential impact of internal and external factors on the branding activities for the product. They will evaluate the extent to which branding of this product meets the aim(s) of the business and, with a view to changing the brand, they will carry out a brand audit to inform an analysis of reasons to change the brand, justifying all recommended changes.

For Merit standard, learners will investigate the reasons for the business having a brand strategy. They will look in more depth at the branding of one of the two products investigated, and explain the challenges of managing this brand and the potential impact of internal and external factors on the branding activities for the product. Using a brand audit, they will analyse the reasons for changing the brand.

For Pass standard, learners will investigate the reasons for the business having a brand strategy and use examples to explain the branding of two of its contrasting products. They will choose one of these products and explain the challenges of managing the brand. They will use primary and secondary research to carry out a brand audit on the product, including the existing marketing strategies, materials and communications, the customer perception of the brand and a comparison with competitors' brands for similar products.

Links to other units

This unit links to:

- Unit 2: Research and Plan a Marketing Campaign
- Unit 22: Market Research.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers and interview/discussion opportunities
- work experience
- opportunities to visit suitable businesses
- support from local business staff as mentors
- provision of business materials as exemplars
- ideas and suggestions to contribute to unit assessment.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop the skills needed to progress to employment in a branding-related role.

Unit 25: Relationship Marketing

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners will study the purposes and benefits of relationship marketing and the methods used by a selected business to attract and retain customers.

Unit introduction

Relationship marketing puts the customer and customer retention at the centre of the business, rather than its products and services. Businesses engage in relationship marketing to continually attract repeat business. Strategies are designed to raise interaction, communication, customer loyalty and long-term engagement by providing information directly suited to customer needs and interests.

You will learn how relationship marketing attempts to keep customers engaged by providing marketing information and responses to enquiries, as well as promoting and selling additional products and services. In this unit you will focus on how technology supports and facilitates this as businesses build databases of customer details that they then use to create tailored relationships with individual customers, known as customer relationship management. Similarly, you will understand how social media offers a direct and instant way for businesses and customers to communicate with each other. You will also learn how effective relationship marketing results in customers who continue to buy goods and services, satisfying their own needs and helping businesses meet their objectives.

This unit will support you in continuing your study of relationship marketing through a marketing-related degree or a professional qualification. The unit will also give you the skills you need to progress to employment in this area.

Learning aims

In this unit you will:

A Examine the purposes and benefits to a selected business of relationship marketing

B Investigate the information required to implement relationship marketing

C Review the relationship marketing methods of a selected business.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Examine the purposes and benefits to a selected business of relationship marketing	**A1** Purposes of relationship marketing **A2** Business benefits **A3** Customer benefits	A report on the purposes of relationship marketing and the benefits to a selected business and its customers.
B Investigate the information required to implement relationship marketing	**B1** Gathering and using relationship marketing information **B2** Implementing relationship marketing strategies **B3** Relationship marketing and the marketing mix	A report on the importance of gathering and using customer information in order to develop and implement successful relationship marketing in a selected business, and the effectiveness of the relationship marketing methods in terms of customer loyalty and purchasing behaviour.
C Review the relationship marketing methods of a selected business	**C1** Key factors of relationship marketing **C2** Attracting and retaining customers using financial and non-financial methods **C3** Performance measurement	

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Content

Learning aim A: Examine the purposes and benefits to a selected business of relationship marketing

Learners will understand the purpose of relationship marketing and how it can benefit both the business and the customer.

A1 Purposes of relationship marketing

- Difference between transactional and relationship marketing:
  - transactional marketing focuses on obtaining new customers with little emphasis on customer service
  - relationship marketing focuses on customer retention with a high emphasis on customer service.
- Relationship marketing:
  - is part of the marketing plan of a business
  - makes a bridge between the buyer and the seller
  - emphasises customer retention, satisfaction and lifetime customer value
  - markets to current customers rather than acquiring customers through sales and advertising
  - builds brand awareness and positions brand as the customer's best option
  - facilitates two-way conversations with customers
  - tailors marketing activities to customers' needs and interests using digital and social networks
  - contributes to the achievement of marketing objectives such as an increase in market share, repeat sales, satisfaction ratings, revenue growth and brand recognition.

A2 Business benefits

- Retains long-term customers and improves repeat sales.
- Improves ability to cross-sell.
- Builds better client relationships.
- Builds brand loyalty and trust.
- Increases the likelihood of referrals.
- Improves reputation.
- Adds/attracts new customers.
- Profiles customer, which supports targeted marketing and increases sales.
- Reduces costs by restricting:
  - customer loss/customer turnover/churn
  - negative customer perceptions that affect future sales
  - reputational damage.
- Adds value to the customer relationship by developing further revenue-generating opportunities.
- Supports business objectives such as an increase/improvement in market share, quality of service to existing customers and competitive advantage.

A3 Customer benefits

- Needs are better understood.
- Provides preferential treatment and premium products and services.
- Targets the marketing of products and services.
- Provides financial and non-financial rewards.

Learning aim B: Investigate the information required to implement relationship marketing

Learners will understand the importance of gathering and analysing customer data to inform relationship marketing strategies.

B1 Gathering and using relationship marketing information

- Customer databases, e.g. Customer Relationship Management (CRM) systems.
- Data mining to analyse information for marketing purposes.
- Customer profiling and categorisation.
- Segmenting the market:
  - macro – dividing the market into groups of consumers that share one or more common characteristics
  - micro – grouping consumers into very specific audiences within various niche markets.
- Behavioural patterns and associations.
- Behaviour prediction.
- Transaction tracking and follow-through.
- Customer defection.
- Identifying and removing unprofitable/unwanted customers.

B2 Implementing relationship marketing strategies

- Building a customer-centric culture.
- Providing communication:
  - digital media such as email, digital messaging, push notifications, social media, real-time social software, chipped data carriers (loyalty cards, payment cards), data terminals, point of sale (PoS) terminals, contactless systems, use of cookies
  - paper-based media
  - telephone-based, to include fixed line and mobile
  - scripts for verbal communications.
- Use of house style.
- Providing web pages with personalised information such as login, transaction history, browsing history, preferences, wish lists, order tracking.
- Gathering customer feedback through satisfaction surveys and rating forms.

B3 Relationship marketing and the marketing mix

- Product: using mined data to customise products according to customer wishes.
- Price: ‘made-to-measure’ prices for customers.
- Place: offering a wide range of possibilities for the customer to get the product.
- Promotion: individual communication with customers.
- People: quality of the workforce.
- Physical environment: where customers buy a product or experience a service.
- Process: ordering and customer interaction process, including customer service.

Learning aim C: Review the relationship marketing methods of a selected business

Learners will understand the key factors of relationship marketing, and the advantages and disadvantages of using financial and non-financial methods to attract and retain customers.

C1 Key factors of relationship marketing

- Provides customer satisfaction.
- Ensures high standards of customer service.
- Develops segmentation techniques to focus on the right customer.

C2 Attracting and retaining customers using financial and non-financial methods

- Financial methods:
  - bonuses such as cash rewards and vouchers
  - discounts and reductions.
- Non-financial methods:
  - loyalty/reward programmes such as store points, frequent user credits, clubs with regular and tiered memberships
  - additional products and services such as airline lounges, tailored products and customised services
  - preferential services such as previews, special events, gifts, offers, coupons, priority booking, upgrades
  - live-in marketing: consumers use products and services for free before making a purchase
  - helplines and named points of contact
  - 'nudge' marketing with mobile communication systems such as check-in reminders, availability of ancillary products and services, proximity of products and services
  - response speeds such as use of QR codes, order confirmation, order tracking.
- Relationship costs: the costs involved in setting up and maintaining relationships.

C3 Performance measurement

- Setting standards for relationship marketing activities:
  - service levels
  - quality standards
  - customer charters.
- Relationship profitability: the value outcome from the development of relationships.
- Lifetime value: the value of customers' purchasing over the lifetime of the relationship.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Examine the purposes and benefits to a selected business of relationship marketing		**A.D1** Evaluate the extent to which relationship marketing can contribute to the achievement of the business objectives of a selected business.
A.P1 Explain the purpose of relationship marketing. **A.P2** Explain how relationship marketing benefits both a business and its customers.	**A.M1** Analyse the importance of relationship marketing to a selected business in achieving its business objectives.	
Learning aim B: Investigate the information required to implement relationship marketing		**B.D2** Evaluate the importance of customer information to the development and implementation of successful relationship marketing.
B.P3 Explain the types of information used by a selected business to develop relationship marketing activities. **B.P4** Explain the impact of relationship marketing on the marketing mix of a selected business.	**B.M2** Analyse the use of relationship marketing information in developing customer relationships in a selected business.	
Learning aim C: Review the relationship marketing methods of a selected business		**C.D3** Evaluate the effectiveness of relationship marketing methods in a selected business and their effect on customer loyalty and purchasing behaviour.
C.P5 Explain the relationship marketing methods of a selected business. **C.P6** Explore how businesses can judge the effectiveness of relationship marketing methods.	**C.M3** Analyse the financial and non-financial relationship marketing methods of a selected business.	

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Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aim: A (A.P1, A.P2, A.M1, A.D1)

Learning aims: B and C (B.P3, B.P4, C.P5, C.P6, B.M2, C.M3, B.D2, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit learners must have access to information on a range of business organisations and their relationship marketing activities.

Essential information for assessment decisions

Learning aims A and B

To complete this assignment, learners must ensure that they select a business that gives them the depth of information on relationship marketing they need. The choice of business will be individual and not teacher-led. To ensure the material they require is available, learners could research a few businesses before they select one for study.

For Distinction standard, learners will look in detail at the impact that relationship marketing has on a selected business. They should use this research to make reasoned judgements on the extent to which relationship marketing can contribute to the achievement of the business objectives of the business they have selected and come to a supported conclusion.

For Merit standard, learners will use their research to produce a detailed examination of the importance of relationship marketing to the achievement of the business objectives of the business they have selected.

For Pass standard, learners will show understanding of the purpose of relationship marketing, and how relationship marketing benefits both a business and its customers, giving clear details and reasons to support their argument.

Learning aims B and C

Learners will continue their study of the business chosen for learning aim A.

For Distinction standard, learners will carry out research into the way that customer information is used to develop and implement relationship marketing. They will use this research to prepare a balanced argument, giving a supported conclusion on its importance to successful relationship marketing in the selected business. They will consider the effectiveness of the relationship marketing methods used and their effect on customer loyalty and purchasing behaviour, giving reasoned judgements.

For Merit standard, learners will analyse the use of relationship marketing information in developing customer relationships and the financial and non-financial relationship marketing methods of a selected business, through methodical and detailed examination.

For Pass standard, learners will provide clear evidence on the types of information used by a selected business to develop relationship marketing activities and the impact of relationship marketing on the marketing mix of this business. They will examine the relationship marketing methods used through the use of examples and explore how businesses can judge the effectiveness of their relationship marketing activities.

Links to other units

This unit links to:

- Unit 2: Research and Plan a Marketing Campaign
- Unit 14: Investigating Customer Service
- Unit 16: Visual Merchandising
- Unit 17: Digital Marketing
- Unit 22: Market Research
- Unit 24: Branding.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers and interview/discussion opportunities
- work experience
- opportunities to visit suitable businesses
- support from local business staff as mentors
- provision of business materials as exemplars
- ideas and suggestions to contribute to unit assessment.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop the skills needed to progress to employment in a relationship marketing role.

Unit 26: Procurement Processes in Business

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners study the principles of procurement, focusing on how the efficient acquisition of resources and materials helps businesses to remain competitive by controlling their costs.

Unit introduction

Resources and materials are used in the production of goods and services, which are then sold and distributed to customers. For businesses to remain competitive, buyers have specific requirements in terms of the quantity, quality and price of these resources and materials, as well as expecting suppliers to deliver them on time and to the correct location. As materials are a significant input cost, it is the buyer in a business who works to control these costs, while at the same time ensuring the quality and continuity of supply to meet customer demand.

In this unit, you will examine how businesses buy the materials they need efficiently. You will investigate how businesses calculate their purchasing requirements and synchronise these activities with the anticipated demand from customers. You will explore how financial considerations ensure that all parties in the procurement process aim to make a profit, while the buyer's outcomes will focus on controlling costs. You will investigate the fundamental role of commercial agreements between buyers and suppliers and how they are formalised into binding contracts. You will learn how effective procurement practices ensure the continuity of cost-effective, efficient business operations.

The knowledge you gain from this unit will help you to progress to higher education or to further specialist training in procurement and to a career in buying.

Learning aims

In this unit you will:

A Understand the role of procurement for procuring resources

B Examine the activities that support an efficient procurement process

C Investigate the role of negotiation and contracting in procurement.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Understand the role of procurement for procuring resources	**A1** Supplies that meet purchaser requirements **A2** Specifications **A3** Suppliers	An individual poster presentation with a supporting leaflet, highlighting the adoption of effective procurement activities for a business that is seeking to improve the efficiency of its operations.
B Examine the activities that support an efficient procurement process	**B1** Identifying procurement requirements **B2** Sourcing supplies **B3** Securing supplies at required times **B4** Planning the procurement of goods from suppliers **B5** Calculating supply and demand requirements **B6** Procedural and regulatory requirements	
C Investigate the role of negotiation and contracting in procurement	**C1** Negotiation **C2** The law of contract **C3** Agreements with suppliers **C4** Agreements with customers	A report that examines the effects of the internal and external environment on a large business and how the business has, and will, respond to changes.

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Content

Learning aim A: Understand the role of procurement for procuring resources

Learners need to develop an understanding of the procurement role concentrating on the demands of the five rights, the drafting of specifications in setting the scene for managing suppliers post-contract and the focus of supplier selection through market analysis.

A1 Supplies that meet purchaser requirements

- Obtaining supplies of goods and services to meet the buyer's requirements.
- The five rights of procurement:
  - right quality
  - right quantity
  - right price
  - right place
  - right time.

A2 Specifications

- Creating specifications for the procurement of products and services using conformance and output/outcome-based approaches.
- Types of specification such as drawings, samples, technical descriptions.
- Specifications and contracts with external customers and suppliers.
- The importance of specifications in the procurement process.

A3 Suppliers

- Surveying the supplier market for goods and services to identify the capacity of the market to supply goods and/or services.
- Appraising suppliers to ensure their:
  - ability to fulfil the five rights of procurement
  - financial viability.
- Competition among and working with suppliers to secure the five rights.
- Measuring supplier performance against key performance indicators to ensure suppliers provide value for money for the goods and services procured.

Learning aim B: Examine the activities that support an efficient procurement process

The procurement process, from identifying the need through to tendering, while complying with legislative constraints and the changes in demand from external factors.

B1 Identifying procurement requirements

- Liaising with users and customers to understand and review their commercial business needs.
- Make or buy decisions and the calculations required to support the decisions.

B2 Sourcing supplies

- Requests for information, quotations, tenders and proposals from suppliers.
- Comparing quotations to ensure they fulfil the five rights of procurement and provide value for money.
- Criteria for supplier selection and selecting a supplier to contract.
- Use of e-sourcing technologies to source supplies.
- Quality standards, processes and procedures.
- Quality assurance techniques in procurement and applying specified standards to assess the quality of the supply of products and services.

B3 Securing supplies at required times

- Lead times, including internal, external and total lead time.
- Expediting and measuring delivery performance.
- Planning milestones and activities for the supply of inventories.
- Scheduling to ensure the timely supply of goods and services.
- Inventories and inventory holding costs.

B4 Planning the procurement of goods from suppliers

- Organisational policies and procedures that govern the procurement of goods and services.
- Planning horizons such as short-term, medium-term and long-term.
- Objectives of the procurement process.
- Producing plans with SMART objectives to ensure continuity of supply in the production and distribution processes.
- Selection criteria such as quality assurance, sustainability, environmental impact, technical capability, labour standards, financial capability, corporate responsibility.
- Contract award criteria such as price, life cycle costs, technical merit, value added.

B5 Calculating supply and demand requirements

- Calculating potential demand on suppliers and from customers based on procurement and supply data, using:
  - historic sources and patterns
  - market intelligence and market trend
  - demand forecasts models
  - extrapolation
  - confidence estimates.
- Reviewing and revising demand forecasts and establishing reasons for variances by considering internal and external factors such as more efficient stock management (internal) and shorter or longer lead times (external).
- Factors influencing product and service pricing, based on an analysis of:
  - direct and indirect costs
  - full costs and marginal costs
  - break-even
  - margins and mark-ups
  - whole life costs
  - market factors.

- Pricing techniques such as pricing schedules, fixed pricing, cost plus, price indexation, incentivised pricing.
- Impact of pricing on profits/losses, cash flows, budgets.
- Use of financial data to assess the financial stability and profitability of businesses in procurement and supply.

B6 Procedural and regulatory requirements

- Documentation used in the procurement of goods and services such as purchase requisitions, purchase orders, goods received notes, inspection reports, goods returned notes and reconciliation of the information they contain.
- Transport documentation required for different goods, transport methods, routes and destinations.
- Customs documentation required for different goods and services and goods in transit.
- Financial documentation.

Learning aim C: Investigate the role of negotiation and contracting in procurement

Only foundation level legal knowledge is required to be able to explore the law of contract and the responsibilities of parties to meet the outcomes of commercial agreements.

C1 Negotiation

- Approaches to the use of negotiation in commercial negotiations.
- Negotiation preparations.
- Factors that affect the negotiation process.
- Stages of a commercial negotiation.
- Calculating supply and demand requirements.

C2 The law of contract

- Law of contract in respect of procurement.
- Types of contract to include purchasing and the supply of services.
- Law relating to the hire and leasing of assets.

C3 Agreements with suppliers

- Requests for information, quotations, tenders and proposals from suppliers.
- Comparison of quotations to ensure that they fulfil the five rights of procurement and provide value for money.
- Terms relating to price, payment method, delivery, quantities, conformance to order requirements, liabilities, indemnity, insurance, guarantees.

C4 Agreements with customers

- Responses to requests for information, quotations and proposals from customers.
- Tenders for the supply of goods and services to include finding tender notices, evaluating tender requirements, expressing interest, submitting tenders that meet customer requirements in full.
- Terms relating to price, payment terms, delivery, quantities, conformance to order and liabilities, indemnity, insurance, guarantees.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Understand the role of procurement for procuring resources		
A.P1 Explain why it is necessary to specify procurement requirements when purchasing goods and services. **A.P2** Explain the importance of a supplier meeting the purchaser's requirements when products and services are procured for use in the production process.	**A.M1** Assess the reasons why purchasers and suppliers create specifications for the procurement of goods and services.	**A.D1** Evaluate the factors that purchasers and suppliers have to consider when sourcing goods and services to ensure their continuing supply to maintain production.
Learning aim B: Examine the activities that support an efficient procurement process		
B.P3 Explain the sourcing process for procuring resources cost effectively. **B.P4** Explain how quality assurance processes support effective procurement activities. **B.P5** Explain the process of selecting suppliers for goods and services.	**B.M2** Analyse the importance to a business of having a secure supply of good quality goods and services. **B.M3** Analyse the techniques used by sellers and buyers to establish the prices in the procurement of products and services.	**B.D2** Evaluate the contribution of efficient sourcing processes to business effectiveness.
Learning aim C: Investigate the role of negotiation and contracting in procurement		**C.D3** Evaluate the role procurement, negotiation and contracting have in securing a business's supply of goods and services.
C.P6 Explain the stages of negotiation and contracting for the supply of goods and services.	**C.M4** Assess the impact of contractual obligations on the parties purchasing and supplying goods and services.	

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Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, A.M1, A.D1, B.P3, B.P4, B.P5, B.M2, B.M3, B.D2)

Learning aim: C (C.P6, C.M4, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to a range of current business information in relation to procurement from websites and printed resources.

Essential information for assessment decisions

Learning aims A and B

Learners should select the businesses to use as a context to complete the task. Evidence from specific business case studies will be referenced for the posters and leaflet.

Learners will benefit from conducting interviews with buyers or with someone working in a procurement environment. Learners should carry out any research independently.

For Distinction standard, learners will research a range of businesses and identify effective practices in the securing of goods and services for two contrasting businesses. From their research, learners will produce a number of posters demonstrating that they have evaluated the market factors that buyers and suppliers have to consider to ensure continuity of supply to maintain production. This will also include how effective sourcing contributes to the overall efficiencies of business operations.

Evidence should be supported by clear examples of businesses using collaboration and competition to secure supply in specific market conditions.

Learners will provide a rationale for the use of supplier compatibility and performance management techniques. The poster presentation and leaflet will focus on sharing best practice with businesses wanting to improve their operational efficiencies through procurement. The posters will be eye-catching, look professional and be at least A3 in size.

For Merit standard, learners will assess the advantages of creating specifications when procuring goods and services. Learners will provide clear examples of performance and conformance specifications, and assess the advantages of creating clear specifications and the disadvantages of each type of specification. Learners will produce a poster presentation and leaflet that demonstrate their understanding and analysis of the advantages of securing a sustainable supply of goods or services based on quality. Learners will explain clearly the implications of not considering quality when securing the supply of goods or services.

A clear analysis of at least three techniques used to establish the price of products and services should be included in the leaflet, along with an explanation of four factors that could initially influence the price such as direct and indirect costs, full costs and marginal costs, break-even, mark-ups, whole life costs and market factors.

For Pass standard, in their leaflet/poster presentation, learners will give an account of how specific information is gathered and used in the supplier selection process, and how quality assurance processes are used to support effective procurement of specific goods and services.

Learners will show how demand for goods and services can be calculated by using historical data, market analysis and estimating and forecasting models. Learners will describe, with examples, the criteria used for supplier selection, defining the difference between selection criteria and contract award criteria.

Learning aim C

For Distinction standard, learners will produce a report that evaluates the contribution of negotiation and contracting to secure the supply of goods and services. This will be based on their research of how these processes are carried out in a successful business. Learners will refer to the law of contract.

For Merit standard, learners will produce a report that assesses the impact of contractual agreements in the supply of goods and services. They will assess the content of agreements with suppliers and customers in relation to making the procurement process more efficient.

For Pass standard, learners will produce a report that provides evidence of a thorough investigation of the role of negotiation and contracting in procurement.

Links to other units

This unit links to:

- Unit 1: Exploring Business
- Unit 15: Investigating Retail Business
- Unit 23: Work Experience in Business
- Unit 27: International Logistics.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers and interview opportunities
- work experience
- business material as exemplars
- participation in audience assessment of presentations
- opportunities to visit suitable businesses.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop investigation and report-writing skills.

Unit 27: International Logistics

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners develop an understanding of factors that influence the movement of goods when they are transported between different countries, including the role of the supply chain.

Unit introduction

Moving goods and materials around the world to enable manufacturers to produce more goods, as well as consumers to buy goods, involves many efficient processes. Logistics organisations must remain competitive in this environment, and need to demonstrate well-organised systems and high operational standards, while taking into account the demands of other organisations, and the impact of their operations on the natural environment.

In this unit, you will consider the many methods used to transport goods from a range of destinations from primary, secondary and tertiary sectors. You will explore the role of the supply chain and how it integrates with logistics and the factors that affect the movement of goods, both within a country and around the world. You will examine the range of systems and management operations used to ensure goods are moved quickly to their destinations. You will also explore how logistics organisations must balance the need to continually improve their processes in order to meet the needs of their many stakeholders, respect the environment and comply with regulatory issues.

This unit will help you to progress to higher education courses exploring logistics and the supply chain and will enable you to make an informed choice of suitable logistics organisations for employment.

Learning aims

In this unit you will:

A Understand logistics and the supply chain in national and international contexts

B Examine systems used for managing logistics operations

C Investigate approaches to improving logistics operations to meet changing demands.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Understand logistics and the supply chain in national and international contexts	**A1** National and international logistics **A2** The supply chain **A3** Factors affecting international logistics	A critical review of national and international logistics that includes the role of the supply chain and other factors.
B Examine systems used for managing logistics operations	**B1** Systems used in logistics **B2** Quality systems **B3** The role of operations management	An investigative report on how different logistics organisations use a range of systems to manage operations and the outcomes of improving these.
C Investigate approaches to improving logistics operations to meet changing demands	**C1** Demands affecting logistics operations **C2** Assessing logistics operations **C3** Reporting on improvements to logistics operations	

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Content

Learning aim A: Understand logistics and the supply chain in national and international contexts

A1 National and international logistics

The characteristics of sectors, processes and methods used in national and international logistics.

- Primary sectors, including: growers, e.g. farmers, fruit growers, vineyards, mines, timber from forests, fisheries, e.g. salmon farms, that is either moved directly to consumer/wholesaler/retailer or to the secondary sector.
- Secondary sectors, including: manufacturers of components or products, packages products, raw materials or components of products for retail, e.g. metal alloys, chemicals, wood, plastics, IT components, food ingredients, fabric.
- Tertiary sectors, including: manufacturing warehouses storing raw and manufactured materials and components, wholesalers; warehouses, e.g. cross-dock facilities, breaking bulk centres, package handling centre, bonded, sortation depots, regional distribution centre (RDC), national distribution centres (NDC).
- Reverse logistics, including disposal, recycling, dismantling, repair, return of purchased goods.
- Planning and scheduling transportation for efficient routes, allowing for restrictions, e.g. geographic constraints, Just In Time (JIT) windows, delivery restrictions, tolls, technology, e.g. Traffic Management Systems (TMS), satellite navigation systems.
- Transportation methods:
  - road transportation, e.g. vans, rigid transporters, tankers, large goods vehicles (LGVs), articulated vehicles, temperature-controlled vehicles; trailers, including flatbed, tilt, curtain-sider, box, road train, swap-body system (demountable), low loaders, belly lockers, coaches and lorries, intermodal using containers, pallets and intermediate bulk containers (IBC)
  - rail transportation, including goods wagons, intermodal using containers, pallets and intermediate bulk containers (IBC)
  - air transportation, including cargo only, using passenger aircraft belly hold
  - sea transportation, including roll-on roll-off (ro-ro) vessels, container ships, general cargo ship, bulk, liquids, oil tankers, gas tankers.

A2 The supply chain

The nature of the supply chain and its role in logistics.

- Components of the supply chain.
- Supply chain configurations, including: linear and networked; lengths, e.g. number of supply chain destinations, location of supply chain destinations, geographic distances between supply chain destinations.
- Activities, including: transportation of stock and materials to and from primary, secondary, tertiary, national, international destinations to the end consumer/customer; safe and secure handling of stock and materials, e.g. packaging, breaking bulk; warehousing as an intermediary function; managing stock, e.g. stock rotation, First In First Out (FIFO), correct stock levels, controlling costs; safe and secure storage; efficient use of digital equipment.

- Companies involved in the supply chain, e.g. producers, processors, suppliers, customers, end consumers, distribution organisations, centralised and decentralised delivery organisations, storage.
- Integrating the supply chain with logistics, including: agreeing quality standards, using integrated technology systems, sharing data, agreeing responsibilities and service levels.
- Advantages of an integrated supply chain, including: higher volumes, maintain/increase market position, reduce supply chain stages, increase marketing opportunities, lower operating costs, quicker and more efficient transactions, flexible systems.
- Disadvantages of an integrated supply chain, including expensive set-up costs, integrating buyer systems with supplier systems, dependence on linked supply chain technology processes, duplication of roles, problems with security, storage, administration, unforeseen issues, e.g. strikes, liquidation.

A3 Factors affecting international logistics

Characteristics and influence of factors affecting the international transportation of goods.

- Types of freight, including packed in bulk, loose-packed cargo.
- Methods used to store goods in transit, e.g. containers, pallets.
- Storage facilities, including freeports as tax-free zones.
- Different goods for transportation, including: small individual packages, medium requiring two or more people, lifting equipment, large, e.g. machinery requiring mechanical manoeuvring, licensed/bonded goods, dangerous, frozen, chilled, ambient, pharmaceutical, liquids, High Value Goods (HVG), bulk.
- Compliance with national and international legislation including:
  - cabotage
  - highway regulations, tachograph
  - tariffs, taxes
  - movement of goods
  - employment
  - licenses, e.g. driver, vehicle, import and export
  - health and safety
  - vehicle and consignment security.
- Compliance with organisational demands, including number of drops per contract, journey duration, distances, use of Personal Protection Equipment, dress codes, administration.

Learning aim B: Examine systems used for managing logistics operations

B1 Systems used in logistics

- Communication systems, including internet, phones.
- Technological systems, including Traffic Management Systems (TMS), digital tachographs; Barcoding Automatic Identification and Data Capture (AIDC) for stock control and automated storage, e.g. one-dimensional/linear (1D), quick response two-dimensional (QR/2D), Electronic Data Interchange (EDI); Automated Storage and Retrieval System (ASRS or AS/RS).

- Payment systems, e.g. Electronic Funds Transfer (EFT) and Bankers' Automated Clearing Services (BACS).
- Security systems, including Closed Circuit Television (CCTV); Radio Frequency Identification (RFID) for stock/cargo/freight in transit.

B2 Quality systems

Features, purpose and impact of quality systems.

- Quality processes, including preventing mistakes and defects in products, avoiding problems when delivering solutions/services to customers, e.g. transporting goods within a timeframe.
- Systems, including quality control, quality assurance, Total Quality Management, quality standards, e.g. ISO9000, ISO14000, BSI, CE.

B3 The role of operations management

- Key functions used to manage logistics and the supply chain.
- Route planning and scheduling, including compliance with legal, safety and operating regulations, e.g. licencing; other transportation methods, Just-In-Time windows; mapping data; Traffic Management System (TMS).
- Deliveries and despatch, including documentation, cabotage restrictions, special requirements.
- Stock storage and handling, including auditing, health, safety and security procedures, special storage requirements, use of lifting equipment.
- Budget control, including compliance with organisational aims and objectives, monitoring costs, clear audit trails.
- Planning staffing levels, preparing work schedules, operational and financial constraints.
- Contingency planning, including vehicle breakdown, driver illness, unknown asylum seeker, load theft/contamination.
- Compliance and legislation:
  - compliance, including international practice, national government departments, policies and procedures
  - adherence to national and international legislation, including:
    - working conditions, e.g. health and safety, Working Time Directive
    - licensing and certification, e.g. operator's licence, International Carriage of Dangerous Goods by Road (ADR) licence, Vehicle and Operator Services Agency (VOSA)
    - livestock
    - data protection.
- Customer requirements, including service levels and agreements; collections, e.g. by internal and external operators; use of service contracts.
- Environmental operations:
  - compliance with legislation, e.g. fuel management, emissions control
  - benefits, e.g. saving natural resources, reducing waste.

Learning aim C: Investigate approaches to improving logistics operations to meet changing demands.

C1 Demands affecting logistics operations

- Profits and expenses.
- Competitiveness and marketing.
- National and international legislation and regulations.
- Environmental sustainability.
- Customer requirements.

C2 Assessing logistics operations

- Information available publicly, e.g. websites, public accounts, policies mission statements.
- Internally available information, including:
  - accounts
  - schedules
  - facilities
  - vehicles and equipment
  - human resources
  - systems
  - key performance indicators (KPIs), internal benchmarks.

C3 Reporting on improvements to logistics operations

Methods of investigation and reporting on logistics operations.

- Investigation techniques.
- Research methods, including:
  - Strengths, Weaknesses, Opportunities, Threats (SWOT) analysis
  - process flow charts
  - Pareto principle 80/20 rule.
- Reporting formats and structures:
  - introduction, including overview and current situation of organisations
  - demands driving change
  - improvements required to meet demands driving change
  - recommendations to achieve improvements, e.g. SMART goals
  - rationale for recommendations.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Understand logistics and the supply chain in national and international contexts		**A.D1** Evaluate the impact of factors on logistics and the supply chain.
A.P1 Explain logistics and the role of the supply chain. **A.P2** Explain factors affecting logistics.	**A.M1** Analyse factors that impact logistics and the supply chain.	
Learning aim B: Examine systems used for managing logistics operations		**B.D2** Evaluate the efficiency of systems used in the management of operations in different organisations.
B.P3 Explain systems used in different logistics organisations. **B.P4** Explain the effectiveness of systems used to manage operations.	**B.M2** Analyse the efficiency of systems used in the management of operations in different organisations.	
Learning aim C: Investigate approaches to improving logistics operations to meet changing demands.		**C.D3** Justify own recommendations for change in the logistics operations of different organisations in terms of changing demands.
C.P5 Explain how different logistics organisations can improve current operations to meet specific demands. **C.P6** Explain the impact of implementing improvement recommendations to logistics operations.	**C.M3** Assess the logistics operations of different organisations in terms of changing demands, and the impact of own recommendations for change.	

Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A (A.P1, A.P2, A.M1, A.D1)

Learning aims: B and C (B.P3, B.P4, C.P5, C.P6, B.M2, C.M3, B.D2, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to information on operations of different logistics organisations.

Essential information for assessment decisions

Learning aims A and B

For Distinction standard, learners must produce a comprehensive review that explores in depth the contributory factors that affect the efficient movement of a range of goods, cargo or freight between two or more countries. They will review, in detail, the different requirements needed when transporting raw materials to production and to the end consumer. Learners will review, in detail, the advantages and disadvantages of integrating the supply chain, including the impact of effective planning and scheduling, the contribution of technology and the variety of transportation methods used for transporting goods, cargo or freight including relevant compliance factors. Learners will provide a wide range of examples to illustrate their ideas, which will be thoroughly detailed and accurate.

For Merit standard, learners must produce a well-reasoned review that explores, in detail, the contributory factors that affect the efficient movement of a range of goods, cargo or freight between two or more countries. They will review the different methods used for transporting raw materials to production and to the end consumer. Learners will review the integration of the supply chain in the efficient transportation of goods, cargo or freight, as well as the impact of effective planning and scheduling, the contribution of technology and relevant compliance factors. Learners will provide a range of examples to illustrate their ideas, which will be detailed and accurate.

For Pass standard, learners must produce a review that explores the contributory factors affecting the efficient movement of a range of goods, cargo or freight between two or more countries. They will review the different methods used for transporting raw materials to production and to the end consumer. Learners will review the role of the supply chain and the impact of effective planning and scheduling, the contribution of technology and relevant compliance factors when transporting goods. Learners will provide statements that are generally accurate, but may be generic and lacking in detail.

Learning aims B and C

For Distinction standard, learners will demonstrate a thorough and detailed understanding of the efficiency of systems used for the management of operations in two different logistics organisations. Learners will examine organisational efficiency in terms of compliance with industry and technological standards, for example the speed of automated storage and retrieval of stock and data. They will use examples such as barcodes, and the reliability of interpersonal communication while goods are in transit nationally and globally.

Learner recommendations for improvements to operations will be robust and well-reasoned. For example in addressing the need for improved environmental sustainability, learners may recommend micro-changes in operations in order to take the organisation in the right direction without negatively impacting other aspects such as costs or manageability. Micro-changes could include new approaches to waste

management and staff training to change attitudes. In addressing issues such as competitiveness and increase in market share, learners might consider methods to increase and retain customer loyalty, balancing costs with long-term profits.

For Merit standard, learners will demonstrate a sound understanding of the efficiency of systems used for the management of operations in two different logistics organisations. Learners will consider elements such as the speed and accuracy of systems, their ease and frequency of use, and their cost-effectiveness. Learners may consider issues such as the capacity of the systems to enable the correct data to be captured, the management of finance and its movement to and from customers and suppliers, and the accurate tracking of goods in transit.

Learner recommendations for improvements to operations will be specific and detailed with logical, supported reasoning. For example in addressing the need to meet changing customer requirements such as increasing timed deliveries, learners will look at the implications for this change on operations, for instance reverse logistics, making further recommendations for consequent issues.

For Pass standard, learners must will show a general understanding of the function of systems used within two very different logistics organisations. They must demonstrate appropriate understanding of how the systems are used and the purpose they serve. In exploring the effectiveness of the systems in managing operations, learners will make judgements as to whether the systems are fit for purpose. They will provide examples such as the security of payment systems, the reliability of technology, and effectiveness of security of stock and resources.

Learner recommendations for improvements to operations will be mostly appropriate, although they may be generic, and will address the changing demand but may not consider a broad range of implications for the organisation. For example, in addressing the need for improved environmental sustainability, they may recommend changes to vehicles type or the outsourcing of some operations, but will not have fully considered the costs.

Links to other units

This unit links to:

- Unit 7: Business Decision Making
- Unit 32: Business and Environmental Sustainability.

Employer involvement

This unit would benefit from employer involvement in the form of:

- access to systems and operations
- masterclasses or technical workshops involving staff from local logistics organisations
- contribution of ideas to unit assignment/project materials
- support from local logistics organisations staff as mentors.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop critical review and investigation skills.

Unit 28: Sales Techniques and Processes

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners develop skills relating to all stages of the sales process for Business-to-Business (B2B) sales. (This unit is not designed for retail selling.)

Unit introduction

The successful sale of products or services is key to any business organisation since the revenue generated will have a direct impact on profitability. The growth of e-commerce, the ease of access to data and information coupled with increased globalisation, means an organisation needs to have greater management control of the sales process to enhance customer loyalty and retention and maintain the reputation of their brand.

In this unit, you will gain a comprehensive overview of the sales process from initial contact to completion, and of the importance of ethical sales practices. You will learn how to prepare for a professional sale and explore the immediate post-sales procedures including how the sales order process is monitored, and the development of an accurate quotation. Through practical activities, you will develop the skills and abilities needed to be successful in the sales process.

This unit will enable you to make an informed decision about the suitability of sales as a career enabling you to move directly into employment, or into further training, such as higher education qualifications in sales and marketing.

Learning aims

In this unit you will:

A Understand the preparation and professional practices required in the sales process

B Explore the principles and procedures involved in completing successful selling

C Review the effectiveness of techniques used to carry out sales activities.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Understand the preparation and professional practices required in the sales process	**A1** Preparing for the sales process **A2** Professional contact with customers **A3** Ethical sales practices	Portfolio of evidence: · customer profile · detailed sales proposition · quotation · record of negotiation with the customer and offer agreed · sales order · report exploring the relationship between these processes, successful sales and ethical sales practices.
B Explore the principles and procedures involved in completing successful selling	**B1** Post-acquisition meeting processes **B2** Completing a quotation **B3** Post-sales monitoring and issues **B4** Limits of authority	
C Review the effectiveness of techniques used to carry out sales activities	**C1** Sales techniques and management **C2** Measures of success **C3** Reviewing personal sales performance	Portfolio of evidence: · demonstration of customer-facing activities including: o sales meeting o post-sales customer issue meeting · report reviewing the effectiveness of own customer-facing sales skills and of techniques used, making suggestions for future improvements.

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Content

Learning aim A: Understand the preparation and professional practices required in the sales process

A1 Preparing for the sales process

Purpose of good customer information and sales systems in the preparation and planning of professional sales processes.

- Customer information to include:
  - customer profiles – demographic, geographic and psychographic characteristics, type and size of business customer, buying patterns, purchasing history, estimated transaction volume, contact details
  - influences on buyer decision-making, e.g. creditworthiness, lead times, availability, pricing, product range including complementary products and compatibility
  - records of customer acquisition meetings and follow-up.
- Sales systems – Customer Relationship Management (CRM) systems, definition, benefits of using CRM, e.g. centralising customer information, business intelligence, workflow automation, contact management, lead management, human resource management, analytics, tracking.
- Methods and benefits of preparing propositions in association with the account team, colleagues and management.

A2 Professional contact with customers

Characteristics and importance of a professional interaction between salesperson and customer, and the benefits of appropriate attitude and behaviour.

- Methods of contacting customers, including:
  - face-to-face
  - traditional remote, e.g. letter, telephone, text
  - electronic remote, e.g. email, video-link software, social media.
- Reasons for contact, including acquisition, sales, follow-up, response to query or complaint, after-sales.
- Preparation, including decision on sales proposition, planned approach and offer.
- Compliance with organisational procedures, including confidentiality of information.
- Characteristics of a professional approach:
  - professional expertise, e.g. knowledge of the market, awareness of own organisation's interests, evidence of preparation
  - personal behaviour, e.g. enthusiasm, responsive to customer's behaviour and emotion
  - use of appropriate sales techniques, e.g. ownership of meeting, recognition and management of sales and resistance signals, persuasiveness, ability to meet customer needs and close sale
  - efficiency, e.g. recording of arrangements and agreements, making offers that include price calculations, applying terms of price, delivery and payment.

A3 Ethical sales practices

The principles and application of ethical sales practice when selling a product or service, and the implications for the organisation.

- Fundamental ethical principles: integrity, honesty, ensuring confidentiality of customer data, acting within the law.
- The application of ethical principles:
  - adhering to the laws that protect consumers
  - ensuring relevant product standards
  - avoiding bribery and price fixing
  - avoiding untruthful or misleading information
  - respecting the privacy of customers and safeguarding their data
  - respecting cultural differences and avoiding discriminatory behaviour.
- Behaviour, attitudes and ethical selling:
  - positive attributes/characteristics of a salesperson – knowledgeable, honest, responsible, focused, courteous, empathetic, persuasive, reflective
  - selling dilemmas and unethical behaviour – providing untruthful or misleading information
  - bribery, deception, price fixing.
- Legal implications of the selling process:
  - consumer protection, including product safety, the principle of fit for purpose and advertising
  - disclosure of special terms to the customer, including interest charges for goods sold on credit, fees or charges, rules regarding refunds
  - data protection, including secure storage, confidentiality, disclosure and access arrangements.
- Implications of breaching statutory legislation for the business, including the possibility of: legal action, fines, liquidation, bankruptcy, imprisonment, loss of customers, loss of reputation.
- Implications of breaching statutory legislation for the salesperson, including disciplinary actions and sanctions – monitoring, suspension, loss of job, impact on career opportunities and advancement.
- The benefits of ethical sales practices for the business:
  - building a reputation for treating customers fairly
  - developing customer loyalty and encouraging repeat sales
  - boosting of revenue and profit margins
  - minimising complaints
  - reducing the risk of legal action
  - gaining competitive advantage.

Learning aim B: Explore the principles and procedures involved in completing successful selling

B1 Post-acquisition meeting processes

The importance of completing the post-agreement processes in line with organisational procedures and the sales contract.

- Processes to be completed including:
  - record of the negotiation including the quotation offered and agreed
  - transfer of order or quotation into a sales order
  - processing sales order into an order management system
  - resources required to meet agreement order
  - monitoring the completion of the order
  - delivery to the customer.
- Benefits of completing immediate processes following closure of the sale:
  - achieving a problem-free run
  - timeliness and accuracy
  - fulfilling agreement
  - gaining a positive image for the organisation.

B2 Completing a quotation

- Developing a commercially attractive quotation/offer, including the application of terms of price, delivery and payment, taking into account the nature and extent of the customer relationship:
  - discount margins
  - delivery conditions
  - payment terms
  - the importance of accurate calculations, layout and formulation
  - processes for checking quotation contents
  - quotation adjustments negotiated within any margins of conditions and limits of authority.

B3 Post-sales monitoring and issues

The importance of monitoring the ordering process to completion, and the characteristics and impact of post-sale problems and issues.

- Methods used in line with organisational procedures:
  - acting within limits of authority
  - monitoring points and targets set and fulfilled
  - identifying any required deviations
  - managing deviations within own limits of authority
  - identifying solutions
  - meeting customer and organisational needs.
- The benefits of monitoring the sales order process:
  - early identification of potential issues
  - identification of any deviations required
  - maintenance of timeliness
  - customer kept informed.

- Potential issues at different stages of the after-sales processes:
  - inaccuracies in the price calculations – impact on order, covering costs, inability to complete order
  - inaccurate recording – size of order, product, discount, quality, price
  - contact issues – inappropriate telephone and or email behaviour, inability to respond to queries
  - actions taken outside level of authority – discounts, payment terms
  - late delivery – breaking contract terms, impact on continuation and completion of order
  - lack of information to and from customer, within own organisation.
- Impact:
  - loss of customers and repeat orders
  - damage to corporate image and reputation
  - profitability.

B4 Limits of authority

The influence that the limits of authority of an individual have on the sales process.

- Types of limits of authority, e.g. caps on discounts that can be offered, payment methods, after-sales activities, delivery times.
- Importance to include compliance and non-compliance within organisational policies and procedures, working relationships.
- Impact to include stalling the process, losing or winning the sale, professionalism, need.

Learning aim C: Review the effectiveness of techniques used to carry out sales activities

C1 Sales techniques and management

The characteristics and effectiveness of methods used in the sales process from acquisition to completion.

- Skills and abilities:
  - commercial acumen, including market, sector and product knowledge
  - communications skills, listening skills
  - building and managing relationships, e.g. ability to establish a rapport and trust with the buyer, including responsiveness, empathy, honesty, maintenance of confidentiality
  - technical skills, e.g. numeracy and data analysis
  - personal skills, e.g. courteousness, persuasiveness, enthusiasm, self-confidence, organisation
  - negotiation techniques and controlling meetings.
- Post-meeting management skills, including: accurate recording, monitoring of the order, identification of issues, solving problems, completing post-sales meeting processes, keeping customer informed, meeting customer expectations.

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C2 Measures of success

Features and benefits of the methods that can be used to measure the success of the sales process in contributing to organisational targets and customer satisfaction.

- Organisational targets, goals, aims and objectives: increased market share, increased profit margins, meeting sales targets, improving performance on all quantitative measures of success.
- Customer satisfaction: improved customer satisfaction and feedback, improved corporate image through meeting all aspects of contract including delivery dates, agreed price, quality of product.
- Classification of information to dashboard or non-dashboard information.
- Quantitative methods including: lead to customer conversion rate (win rate), prediction to conversion ratio (forecast accuracy), gross margin, number of sales, sales cycle length, average sales price, average contract (deal) size, number of leads in the pipeline, new to existing customer sales ratio both number of customers and size of orders.
- Qualitative methods, including effective team, customer feedback.

C3 Reviewing personal sales performance

Factors to consider when reviewing effectiveness of personal performance in a sales process.

- Preparation for sales meeting, including customer profile.
- Interpersonal skills and professionalism.
- Sales techniques and management of sales processes.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Understand the preparation and professional practices required in the sales process		**A.D1** Evaluate the importance of professional behaviour, ethical sales practices, and preparation for a sales meeting, referencing own comprehensive pre-sales customer information.
A.P1 Produce pre-sales customer information. **A.P2** Explain the professional behaviour, ethical sales practices, and preparation required for a sales meeting.	**A.M1** Produce detailed pre-sales customer information. **A.M2** Analyse the importance of professional behaviour, ethical sales practices, and preparation for a sales meeting .	
Learning aim B: Explore the principles and procedures involved in completing successful selling		**B.D2** Evaluate the importance of post-sales processes required following the agreement of a sale, referencing own comprehensive quotation and post-sales customer information.
B.P3 Produce an accurate quotation and post-sales customer information. **B.P4** Explain the post-sales processes required following a customer meeting agreeing a sale.	**B.M3** Produce an accurate, detailed quotation and post-sales customer information. **B.M4** Analyse the importance of the post-sales processes required following the agreement of a sale.	
Learning aim C: Review the effectiveness of techniques used to carry out sales activities		**C.D3** Evaluate the effectiveness of own competent customer-facing sales skills, and techniques used, including suggestions for future improvements to meet the needs of the customer and the sales organisation.
C.P5 Demonstrate appropriate customer-facing sales skills that meet customer needs. **C.P6** Explain the effectiveness of own appropriate customer-facing sales skills and techniques used, making suggestions for future improvements.	**C.M5** Analyse the effectiveness of own competent customer-facing sales skills, and techniques used, including suggestions for future improvements to meet the needs of the customer and the sales organisation.	

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Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aim: A and B (A.P1, A.P2, B.P3, B.P4, A.M1, A.M2 B.M3 B.M4, A.D1, B.D2)

Learning aim: C (C.P5, C.P6, C.M5, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners must have access and facilities to view filmed footage of sales meetings. They will all need access to a range of current business information to enable printed-material and web-based research.

Essential information for assessment decisions

Learning aims A and B

Learners prepare for the sales process, and report on the relationship between successful sales and preparation, post-sales processes, and the professionalism of the salesperson.

For Distinction standard, learners must produce a detailed customer profile from given customer information records, selecting and examining thoroughly a wide range of information key to the potential sales context. They must make contact with the customer and produce a detailed sales proposition and accompanying quotation that provides clear, accurate and detailed information, relating to items including price calculations, discounts, delivery conditions and payment terms.

Learners must then make a record of the negotiation with the customer and the offer agreed, transferring their quotation into a written sales order Learners must show comprehensive understanding of how secure storage and confidentiality regarding disclosure and access arrangements of this data will be applied to comply with the most up-to-date data protection legislation.

In their report, learners must examine the sales processes required for successful sales, such as the need for highly accurate, current customer information. They must demonstrate well-reasoned insight concerning the relationship between the professional behaviour of the salesperson in different contexts, such as face to face and remote, and successful sales, including the application of ethical sales practices at each stage in the sales process. They will consider aspects such as potential sales and the reputation of the selling organisation, making considered, measured judgements about approaches that can be taken. In exploring post-agreement processes and post-sales monitoring and issues, learners must evaluate the importance of completing the post-agreement processes in line with organisational procedures and the sales contract, the benefits of monitoring the ordering process to completion, and the possible impact of not resolving post-sale problems and issues.

For Merit standard, learners must produce a detailed customer profile from given customer information records, selecting and examining a wide range of information appropriate to the potential sales context. They must make contact with the customer and produce a sales proposition and a detailed quotation providing accurate information for the customer, which will relate to price calculations, discounts, delivery conditions and payment terms.

Learners must make then a record of the negotiation with the customer and the offer agreed, transferring their quotation into a written sales order Learners must show full understanding of how secure storage and confidentiality regarding disclosure and access arrangements of this data will be applied to comply with the most up-to-date data protection legislation.

In their report, learners must examine the sales processes required for successful sales and must consider, in detail, the relationship between the professional behaviour of the

salesperson in different contexts, such as face to face and remote, and successful sales, showing how the ethical standards required by the organisation are applied. They will consider aspects such as potential sales and the reputation of the selling organisation, making considered judgements about sound approaches that can be taken. In exploring post-agreement processes and post-sales monitoring and issues, learners must analyse the importance of completing the post-agreement processes in line with organisational procedures and the sales contract, the benefits of monitoring the ordering process to completion, and the possible impact of not resolving post-sale problems and issues.

For Pass standard, learners must produce a customer profile from given customer information records, selecting information appropriate to the potential sales context, and produce a sales proposition and accurate sales quotation providing essential information for the customer.

Learners must then make a record of the negotiation with the customer and the offer agreed, transferring their quotation into a written sales order Learners must show some understanding of how secure storage and confidentiality regarding disclosure and access arrangements of this data will be applied to comply with the most up-to-date data protection legislation.

In their report, learners must provide a generally accurate and appropriate account of the sales processes required for successful sales and must demonstrate an understanding of the relationship between the professional behaviour of the salesperson and successful sales, including an understanding of ethical selling principles. They must also show an understanding of post-agreement processes.

Learning aim C

Learners demonstrate their customer-facing sales skills to meet the needs of a customer in both a sales meeting and a meeting to address a customer issue. Learners report on the effectiveness of their skills and the techniques used in both situations.

For Distinction standard, learners must take part in a face-to-face sales meeting demonstrating competent customer-facing sales skills through extensive preparation and awareness of the product, the sector, the customer, and the broader sales situation. They must conduct themselves in a skilful, professional, ethical and confident manner, appropriate to the context. They will develop a good rapport with the customer, while controlling the meeting and demonstrating and communicating extensive knowledge of the product and the customer, enabling their customer to make a well-informed buying decision. Learners will solve problems and challenges skilfully and creatively, using a wide range of sales negotiation techniques with confidence, to help them towards a sale.

Learners must also take part in a problem-solving meeting with a customer, demonstrating competent customer handling skills such as a calm, courteous, solution-focused approach, and clearly working within the limits of their responsibility to solve an issue. They will communicate with their customer in a positive and professional manner, offering creative solutions. For example, they may offer multiple solutions allowing their customer to make guided choices to help resolve the situation.

In their report, learners must thoroughly examine the relationship between the skills, abilities and actions used in the customer meetings and the eventual outcome. They will demonstrate an intuitive appreciation of a broad range of skills used and use well-reasoned, thoughtful arguments to scrutinise the impact these have had on the customer, the outcome of the meetings, and the selling organisation. They will use a wide range of success measures. They will consider both positive and negative impacts as appropriate. Their examination will lead to a well-argued synthesis of ideas for future improvements to their techniques and approaches.

For Merit standard, learners must take part in a face-to-face sales meeting demonstrating competent customer-facing sales skills through careful, detailed preparation and awareness of the product and the customer. They must conduct themselves in a professional, ethical manner appropriate to the context, developing a good rapport with the customer and broad product knowledge, enabling their customer to make a well-informed buying decision. Learners will solve problems and challenges skilfully, and use a range of techniques to help them move towards a sale, such as persuasiveness.

Learners must also take part in a post-sales problem-solving meeting, demonstrating competent customer handling skills such as a calm, courteous, solution-focused approach, and clearly working within the limits of their responsibility to solve an issue. Their solutions will be well-thought through and appropriate to the situation.

In their report, learners must examine the relationship between the skills, abilities and actions used in the meetings and the outcome. They will show a good understanding of a broad range of skills used and thoughtfully assess the impact these have had on the customer and the selling organisation. They will use appropriate measures of success. They will consider both positive and negative impacts as appropriate. The examination will explore a number of ways to improve their approach in future selling situations.

For Pass standard, earners must take part in a face-to-face sales meeting demonstrating suitable preparation and awareness of the product and the customer. They must conduct themselves in a professional manner appropriate to the context and exhibit ethical standards of behaviour. Learners will demonstrate appropriate customer-facing sales skills that meet customer needs, such as the ability to develop a rapport with the customer and sufficient knowledge about the product to provide appropriate information to enable their customer to make a reasonably informed buying decision. Learners will solve problems and challenges in an appropriate way.

Learners must also take part in a post-sales problem-solving meeting, demonstrating appropriate customer handling skills such as a calm and courteous approach, and the capacity to work within the limits of their responsibility to solve an issue. Their solutions will be appropriate to the situation.

In their report, learners must explore how the skills, abilities and actions used in the meetings have contributed to the outcome. They will correctly identify some of the skills used and consider the impact these have had on the customer and the selling organisation. They will reference appropriate measures of success. They will consider some useful improvements to their own sales-based future activities.

Links to other units

This unit links to:

- Unit 22: Market Research
- Unit 23: Work Experience in Business.

Employer involvement

This unit would benefit from employer involvement in the form of:

- technical workshops involving staff from local business organisations
- contribution of ideas to unit assignment/project materials
- observation during work experience
- support from local business organisation staff as mentors.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop sales and marketing skills.

Unit 29: Health and Safety in the Workplace

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners explore legislation and regulations relating to health and safety in the workplace, and develop the skills to conduct an audit and carry out a risk assessment.

Unit introduction

In any workplace environment it is essential to be compliant with health and safety legislation and organisational requirements. Employers must take reasonable care to protect their employees and others from the risk of injury, disease or death, and employees must also take care to protect themselves and others. The consequences of non-compliance can have serious implications for both employers and employees.

In this unit, you will explore legislation and regulations that exist to ensure safe working practices in your sector and investigate the procedures that organisations have in place to comply with these regulations. You will examine both physical and emotional health and safety issues that can arise in a work environment and methods used to manage them. You will learn methods for assessing workplace health and safety standards and risk, which can be used to identify and report potential or actual hazards, suggesting remedial measures to improve workplace practices. You conduct risk assessments using an accepted format.

This unit will give you the understanding and skills to comply with health, safety, and welfare legislation and procedures in the workplace. It will enable you to investigate safe working practices in your sector, whether you progress to employment, training, or higher education.

Learning aims

In this unit you will:

A Understand legal and regulatory responsibilities of employers and employees for health and safety in the workplace

B Explore health and safety factors that impact practices in workplace environments

C Conduct health and safety risk assessments in a given work environment to ensure compliance with current regulations.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Understand legal and regulatory responsibilities of employers and employees for health and safety in the workplace	**A1** Health, safety and welfare legislation **A2** Implementation in the workplace **A3** Consequences of non-compliance	A report identifying relevant health and safety legislation and regulations applicable in different workplace situations.
B Explore health and safety factors that impact practices in workplace environments	**B1** Impact of work environment and equipment **B2** Managing physical health and safety in the workplace **B3** Managing wellness and employee emotional health	Undertake research for a specific organisation on the health, safety, and welfare procedures in place, supported with a risk assessment and recommendations for improvements to practices and systems.
C Conduct health and safety risk assessments in a given work environment to ensure compliance with current regulations	**C1** Types of workplace hazard and risk **C2** Risk assessments	

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Content

Learning aim A: Understand legal and regulatory responsibilities of employers and employees for health and safety in the workplace

A1 Health, safety and welfare legislation

- Key principles of sector-related, current legislation and regulations, including any updates, and their application in the workplace relating to:
  - workplace environment, e.g. fire exits, condition of buildings
  - condition of normal operating equipment, e.g. business machinery, personal protective equipment (PPE), electrical equipment
  - legal requirements for dealing with work-related stress
  - normal operating procedures, e.g. procedures for using/operating equipment, manual handling procedures, safety-related rest breaks.

A2 Implementation in the workplace

Key principles of employer and employee responsibilities.

- Employer duties and responsibilities:
  - Management of Health and Safety at Work Regulations, e.g. up-to-date knowledge of responsibilities, building maintenance, equipment maintenance, signage
  - provision of safety-related equipment, e.g. PPE
  - provision of training and education, e.g. safety inductions, toolbox talks
  - establishing reporting procedures and sources of information and guidance within an organisation
  - identifying causes and recognising signs of work-related stress and offering support, e.g. through organisation's occupational health department
  - conducting stress risk assessments, including making reasonable adjustments under equalities legislation
  - identifying responsible person roles, e.g. facilities manager, department head, human resources director, first aider, fire marshals.
- Employee duties and responsibilities:
  - familiarity with own and others' responsibilities under current legislation and regulations applicable to the working environment
  - completion of safety-related training provided by employers
  - compliance with safe working procedures, e.g. using equipment safely, implementing safe lifting and carrying techniques
  - raising concerns or issues relating to work-related stress with the relevant workplace person
  - housekeeping, e.g. tidy workspace, protecting others from harm, as a result of work being carried out by self or others
  - processes for working safely with others:
    - internal, e.g. colleagues (familiar and unfamiliar), management, supervisor
    - external, e.g. customer, suppliers, contractors.
- Employee accountability to professional bodies to include:
  - following codes of professional conduct
  - being familiar with/applying current codes of practice
  - ensuring that revalidation procedures are followed
  - following safeguarding regulations
  - following procedures for raising concerns/whistleblowing.

A3 Consequences of non-compliance

- Impact of non-compliance to include:
  - loss of reputation
  - loss of work
  - increased stress levels and ill health.
- Penalties to employer for non-compliance to include:
  - enforcement
  - sanctions
  - legal penalties, e.g. fines, court judgements, corporate manslaughter and imprisonment.

Learning aim B: Explore health and safety factors that impact practices in workplace environments

Health and safety issues arising from work environments and procedures and measures in place to address them.

B1 Impact of work environment and equipment

- Types of working environment:
  - physical environment, e.g. offices, building sites, workshops
  - features of environment, e.g. internal or external, confined or elevated working spaces.
- Problems with working environments:
  - temporary issues, e.g. building and decoration
  - infestations, e.g. vermin, dampness and mould
  - work-related environment issues, e.g. temperature, noise levels, exposure to chemicals or other irritants.
- Health and safety issues when using equipment:
  - tools and equipment, materials and substances
  - proper use of equipment, e.g. seating, posture, lifting, using instruction manuals
  - identification and disposal of hazardous materials
  - personal protective equipment (PPE) appropriate to task undertaken, e.g. overalls, protective footwear, eye protection, masks/respirators
  - awareness of recycling.

B2 Managing physical health and safety in the workplace

- Provision, use and maintenance of health and safety equipment, e.g. smoke alarms, fire extinguishers, signage.
- Staff information and training.
- Safety manuals/online training.
- Induction and refresher training to update skills and knowledge, new processes
- Fire evacuation drills:
  - actions in the event of an accident or emergency, e.g. use of fire extinguishers.
- Appointing and training key personnel, e.g. fire marshals, first aiders.
- Cleanliness in the workplace, e.g. providing clean floors and stairs, with effective drainage where necessary; clean premises, furniture and fittings; providing containers for waste materials; removing dirt, refuse and trade waste regularly; clearing up spillages promptly; keeping internal walls or ceilings clean.

- Recording and reporting health and safety incidents:
  - office/workshop incidents, e.g. accident/injury, work hazards, fire
  - reporting routines, e.g. at assembly point, hazards and malfunctions, injury, near miss occurrences.

B3 Managing wellness and employee emotional health

Considerations and methods for managing and maintaining employee emotional health in the workplace.

- Managing work demands, including workload, work patterns and the work environment.
- Employee management strategies and behaviours, e.g. line management; encouragement, sponsorship and resources provided by the organisation.
- Setting employee roles, including clear communication of working-role responsibilities and limitations, avoidance of conflicting roles.
- Change management: management and communication of organisational change, including small changes and significant changes.
- Workplace relationships: promoting positive relationships, working to avoid conflict, dealing with unacceptable behaviour.

Learning aim C: Conduct health and safety risk assessments in a given work environment to ensure compliance with current regulations

C1 Types of workplace hazard and risk

The general types of workplace hazard and risk relevant to specific industry workplace environments and how these are identified.

- Hazards and risks, including:
  - definition of hazards and risks
  - meeting industry best practice guidelines
  - checks on supplier premises
  - working environment, e.g. working at height, electricity
  - identification of warning signs for the seven main groups of hazardous substances, e.g. defined by classification, packaging and labelling of dangerous substances regulations
  - sources of information and guidance within an organisation.

C2 Risk assessments

The accepted formats for conducting risk assessments and how these are monitored, using guidance from local or international requirements.

- Conducting risk assessments, including:
  - format, frequency
  - identifying hazards by various methods – direct observation, checklists,
  - audits, toolbox talks, safety committees
  - recording risk assessments and evaluating control measures.

- Monitoring and improvements:
  - regular checking of equipment and procedures
  - using equipment in line with manufacturer's instructions
  - revising risk assessments in light of changes to processes, operatives and materials
  - evaluating revised risk ratings
  - reviewing changes and recommendations, communicating to all relevant parties
  - meeting industry best practice.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Understand legal and regulatory responsibilities of employers and employees for health and safety in the workplace		
A.P1 Explain legal requirements and regulations for ensuring health, safety and security in different workplace environments. **A.P2** Explain the health and safety responsibilities of employers and employees in different workplace environments.	**A.M1** Discuss the impact that legal and regulatory factors have on health, safety and security in different workplace environments.	**A.D1** Evaluate the effectiveness of legal and regulatory requirements that would apply in a selected workplace environment.
Learning aim B: Explore health and safety factors that impact practices in workplace environments		
B.P3 Explain how workplace environments and work management can impact the health and safety of employees. **B.P4** Explain methods that can be used to manage physical and emotional health and safety in a workplace environment.	**B.M2** Analyse factors that impact on health, safety and security in a workplace environment and methods of managing them.	**B.D2** Evaluate the impact on health and safety of a workplace environment and operation factors, and the effectiveness of measures that can be implemented to manage them.
Learning aim C: Conduct health and safety risk assessments in a given work environment to ensure compliance with current regulations		**C.D3** Evaluate the effectiveness of health and safety standards and processes in a selected workplace environment, using own detailed risk assessment, with supporting comprehensive rationale for recommendations and improvements.
C.P5 Plan and conduct a risk assessment for a selected workplace using appropriate formats. **C.P6** Explain the health and safety processes in place in a given workplace environment.	**C.M3** Assess health and safety standards of a selected workplace environment, using own detailed risk assessment, making supported recommendations for improvements.	

Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aim: A (A.P1, A.P2, A.M1, A.D1)

Learning aims: B and C (B.P3, B.P4, C.P5, C.P6, B.M2, C.M3, B.D2, C.D3)

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Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to a range of current health and safety information on websites and from printed resources.

Essential information for assessment decisions

Learning aim A

For Distinction standard, learners' examination of responsibilities in a selected workplace environment must demonstrate an in-depth understanding of the effectiveness of health and safety regulations and legislation. The evaluation will be detailed with justified reasons as to which legislation and regulations are effective, by referring to specific responsibilities of both employers and employees. Learner evidence will show that they have examined the impact of health, safety and security requirements in two different and contrasting workplace environments such as an office and a workshop. Learners will develop their research to examine specific consequences of non-compliance.

For Merit standard, learner evidence must demonstrate sound knowledge and understanding of health and safety legislation and regulatory requirements in two contrasting workplace environments such as an office and a workshop. Learners will give detailed reasons showing how legislation and regulatory requirements affect the workplace and take into consideration the impact of non-compliance. Learner research will lead to appropriate examples of both employee and employee duties and responsibilities in a range of situations.

For Pass standard, learners must demonstrate knowledge and understanding of health and safety legislation and regulatory requirements through an examination of at least two contrasting workplace environments such as an office and a workshop. They will draw on relevant examples showing both employer and employee responsibilities relating to health and safety in the different workplace environments.

Learning aims B and C

For Distinction standard, learners must conduct an appropriately formatted and thorough risk assessment of the health and safety practices in a selected workplace environment. Learners will show clear identification of hazards and risks, making well-reasoned assessment of the management in place, and appropriate recommendations for improvements to management approaches. They must support their assessment with a range of supporting evidence such as photographs, policies, accident-reporting documents, or anonymised data on staff wellness.

Learner assessment of health and safety will include an investigation of a broad and diverse range of operation factors, including physical and emotional health and safety, demonstrating a thorough understanding and appreciation of the topic.

For Merit standard, learners must conduct a detailed risk assessment, in an appropriate format, making reasoned recommendations for improving business operations to meet health and safety standards. They will provide useful supporting evidence such as photographs, or workplace policies. Learner assessment and recommendations will include the management of both physical and emotional health and safety factors.

Learner assessment of health and safety standards will include an examination of a wide range of factors that impact on health and safety practices in a workplace environment, and which demonstrates sound knowledge and understanding.

For Pass standard, learners must conduct a risk assessment in a selected work environment, demonstrating knowledge and understanding of the processes and formats required to do this effectively. They will support their assessment with appropriate evidence such as photographs. They will demonstrate knowledge and understanding of some of the factors that impact health and safety procedures, and methods in place used to manage physical and emotional health in a workplace environment, making some appropriate suggestions for management or improvement.

Links to other units

This unit links with all other units in the specification.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers and interview/discussion opportunities
- work experience
- opportunities to visit suitable different businesses/workplace environments
- support from local business staff as mentors
- provision of health and safety risk assessments as exemplars.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop the skills needed to conduct an audit and carry out a risk assessment.

Unit 30: Career Planning

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners research and plan for potential careers, completing personal skills audits and developing interview techniques, in order to improve their employment prospects.

Unit introduction

Over the last 20–30 years employment opportunities have changed significantly. 'Jobs for life' are far less common, and, these days, you are likely to change your job or even career pathway many times, or work in different jobs simultaneously. In order to make the transition to employment successfully, you need to be able to research suitable career pathways and take the steps necessary to achieve your career goals.

In this unit, you will research potential career pathways, examine your current skill set, and identify any gaps in your skills and knowledge. You will create a career development plan, identifying the training you will need to improve your skills and knowledge and other steps required to reach your goals. As part of your career plan you will also consider alternative pathways should your chosen career be affected by external influences such as a fall in the economic strength of your country. You will prepare job application documentation and take part in a simulated interview to develop your communication and interview skills, and consequently your employment prospects.

This unit will help you to be fully prepared to either enter the workplace at the end of your school or college course or to enrol on higher education courses that will further develop the skills and knowledge required for your chosen career.

Learning aims

In this unit you will:

A Explore employment opportunities to target progression

B Examine personal skills and goals to produce a personal career development plan

C Develop communication and interview skills to improve employment prospects.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Explore employment opportunities to target progression	**A1** Researching employment opportunities **A2** Employment types and legislation **A3** Requirements for progression	Portfolio including: · career pathways research · personal skills audit · career development plan · review of methods and effectiveness of skills audit and career development plan.
B Examine personal skills and goals to produce a personal career development plan	**B1** Types of skills audit **B2** Soft and transferable skills **B3** Skills audit and career development planning	
C Develop communication and interview skills to improve employment prospects	**C1** Application documentation **C2** Interviews and demonstration of skills **C3** Performance review	A portfolio including: · application documentation · recording and observation records of simulated interview · learner self-evaluation of application and interview performance.

Content

Learning aim A: Explore employment opportunities to target progression

Researching employment opportunities and relevant legislation will vary according to the geographical location of the learner. These differences should be taken into account.

A1 Researching employment opportunities

Characteristics, advantages and disadvantages of different sources of information for career opportunities.

- Sources of information:
  - education providers, e.g. schools, universities and colleges, private training organisations
  - career specialist organisations, e.g. careers advisers, job centres, employment agencies
  - print publications, e.g. local and national newspapers and magazines, industry magazines
  - employing organisation websites
  - networking, e.g. associates, friends and family
  - social media platforms.

A2 Employment types and legislation

- Characteristics, advantages and disadvantages of different working contracts and approaches, including:
  - full-time or part-time
  - 'gig economy' and zero-hour contracts
  - self-employed
  - payment types, e.g. salary, hourly pay, commission, bonus, overtime.
- Impact of employment legislation on career choices and working patterns:
  - local employment legislation
  - local working regulations.

A3 Requirements for progression

Knowledge and understanding of the characteristics of professional standards required for progression in chosen fields, and the processes for achieving them.

- General and career-specific knowledge and skills.
- Entry criteria, including 'ground-floor' entry and 'fast-track' entry.
- Qualifications and training.
- Professional development.
- Career barriers, e.g. changes in the economic situation, 'closed-shop' professions, sector biases such as gender or social status.
- Accessibility, e.g. impact of available training options and costs.

Learning aim B: Examine personal skills and goals to produce a personal career development plan

B1 Types of skills audit

Features and uses of skills audit tools, including:

- Likert Scale
- Semantic Differential Scale.

B2 Soft and transferable skills

- Definitions, characteristics and importance of 'soft' and 'transferable' skills and ways to develop them, including:
  - strong work ethic
  - written and verbal communication skills
  - creative problem solving
  - time-management
  - teamwork
  - leadership
  - organisation and self-motivation
  - research and analytical skills
  - numeracy and information technology skills.

B3 Skills audit and career development planning

Tools and techniques for developing career progression opportunities.

- Skills audit to measure:
  - current skills, knowledge and competency
  - gaps in skills, knowledge and competency.
- Characteristics, function and methods for producing effective career development plans, including:
  - establishing current position
  - setting goals – short-term, medium-term, long-term
  - using 'SMART' goals, i.e. Specific, Measurable, Achievable, Relevant, Time-bound
  - training requirements
  - monitoring progress.

Learning aim C: Develop communication and interview skills to improve employment prospects

C1 Application documentation

- Purpose and characteristics of application documents and the language and presentation styles used in completing them, including:
  - letters of application.
  - application forms including paper-based and web-based
  - curriculum vitae (CV)
  - paper or electronic documents.
- Preparing online profiles, e.g. LinkedIn, assessing historical online presence, e.g. searchable social media activity.

C2 Interviews and demonstration of skills

Features of different interview approaches and the impact of these different approaches on skills required and demonstrated by an interviewee.

- Types of interview:
  - individual, or part of a group
  - in person or remote, e.g. telephone, video link
  - formal and informal
  - single interviewer or panel.

- Skills and competences required for interview situations:
  - personal presentation, e.g. appropriate clothing, attitude
  - communication skills, including appropriate use of body language, formal language, technical language, listening skills, and active engagement in discussions
  - understanding purpose of interview questions and producing appropriate responses
  - demonstration of work-related competence.

C3 Performance review

Methods for reviewing performance in interviews and the importance of reviewing performance in relation to future success.

- Individual appraisal of own performance in an interview situation.
- Reviewing own demonstration of work-related competence.
- Suggestions for improvement.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Explore employment opportunities to target progression		**A.D1** Evaluate the effectiveness of methods used to identify career progression opportunities based on own comprehensive research.
A.P1 Carry out appropriate research into career progression opportunities. **A.P2** Explain the effectiveness of methods used to identify and research career progression opportunities.	**A.M1** Analyse the effectiveness of methods used to identify career progression opportunities based on own detailed research.	
Learning aim B: Examine personal skills and goals to produce a personal career development plan		**B.D2** Justify decisions taken in own personal career development plan, in relation to own comprehensive audit of career-related skills and skills-gaps.
B.P3 Produce a simple skills audit identifying career-related skills and skills-gaps. **B.P4** Explain reasons for decisions taken in the preparation of a personal career development plan.	**B.M2** Assess decisions taken in own personal career development plan, in relation to own detailed audit of career-related skills and skills-gaps.	
Learning aim C: Develop communication and interview skills to improve employment prospects		**C.D3** Evaluate the effectiveness of own, proficient job application and interview performance, including rationale for improvements.
C.P5 Explain the effectiveness of own appropriately prepared job application documentation. **C.P6** Explain effectiveness of own, suitable skills used in simulated job interview.	**C.M3** Assess the effectiveness of own competently prepared job application documentation. **C.M4** Analyse the effectiveness of own, competent skills used in a simulated job interview.	

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Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, B.P4, A.M1, B.M2, A.D1, B.D2)

Learning aims: C (C.P5, C.P6, C. M3, C.M4, C.D3)

Further information for teachers and assessors

Resource requirements

There are no special resources needed for this unit.

Essential information for assessment decisions

Learning aims A and B

Learners will research career progression and produce a skills audit and personal career development plan with supporting rationale.

For Distinction standard, learners must carry out extensive and thorough research into career opportunities using a wide variety of methods. Learners will report on their research considering the strengths and weaknesses of the methods used, including well-reasoned, supported judgements on their effectiveness.

Learners must produce a personal skills audit that includes a detailed appraisal of personal, transferable, knowledge and competency skills. Their personal career development plan must fully consider how they will achieve their development needs within the timeframe of the plan. Reasoning will be thorough and well-thought through.

For Merit standard, learners must carry out wide-ranging research into a range of career opportunities using a variety of methods. Learners will report on their research considering the strengths and weaknesses of the methods used, including supported judgements on their effectiveness.

Learners must produce a personal skills audit that includes a broad appraisal of personal, transferable, knowledge and competency skills. Their personal career development plan must consider how they will achieve their development needs within the timeframe of the plan, which may include more than one approach. The reasons given for their career plan decisions will be detailed and appropriate.

For Pass standard, learners must carry out research into a range of career opportunities using a variety of methods. Learners will report on their research considering the strengths and weaknesses of the methods used, including appropriate judgements on their effectiveness.

Learners must produce a personal skills audit that includes an appraisal of personal, transferable, knowledge and competency skills. Their personal career development plan must consider how they will achieve their development needs within the timeframe of the plan. The reasons given for their career plan decisions will be appropriate.

Learning aim C

Learners prepare for a job application that matches their own skills and attributes, including application documentation (curriculum vitae, letter of application, application form) and a simulated job interview. Learners will review the effectiveness of these activities. An audio or visual recording of the interview should be included as part of the evidence.

For Distinction standard, learner documentation will be completed in a professional manner with attention to detail and skilful use of language and presentation.

In their simulated interview, learners must demonstrate skills appropriate to the situation, including their visual presentation, personal demeanour and communication skills. Learners will provide confident, well-thought through responses to interviewer questions and information requests, and engage in active discussion.

Learners will then carry out a comprehensive critical review of their own performance and make discerning suggestions for improvement.

For Merit standard, learner documentation must be prepared to a high standard, with well-presented information and clear and concise use of language.

In their simulated interview, learners must demonstrate skills appropriate to the situation, including their visual presentation, personal demeanour and communication skills. Learners will provide confident, sound responses to interviewer questions and information requests.

Learners will review the effectiveness of both the application and interview activities, including a detailed exploration of the strengths and weaknesses of their performance and logical suggestions for improvements.

For Pass standard, learner documentation must be prepared appropriately, with care given to the style of language used and presentation of the information.

In their simulated interview, learners must demonstrate skills appropriate to the situation, including their visual presentation, personal demeanour and communication skills. Learners will respond to questions and requests for information with a degree of confidence and consideration.

Learners will review the effectiveness of both the application and interview activities, including suggestions for improvements.

Links to other units

This unit links with all other units in the specification.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop the skills needed to improve their employment prospects.

Unit 31: Effective Project Management

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners develop the skills to plan and manage a business project and assess the effectiveness of the techniques and tools available.

Unit introduction

Project management is integral to the running of business organisations throughout the world, and can be applied to limitless operations from product development or infrastructure change, to introducing new internal processes or establishing a new team. Managing a project requires excellent communication, time management, and problem-solving skills.

In this unit, you will learn the main principles and techniques involved in project management, from the planning stage through to managing a project from its inception to its completion. You will follow a project life cycle model: define its scope, agree stages and outcomes, set milestones for performance, quality and timescales, work to a budget, and consider different stakeholder requirements. Your project plan will consider a range of processes and tools used to ensure effective project management. You will conclude your study of the unit by reflecting on the success of the principles and tools used during the project and consider alternative approaches that could be used in future projects.

This unit will develop your teamwork, communication, time management and problem-solving skills – essential transferable skills that employers look for in the contemporary workplace. The unit will provide a useful opportunity to consider a career in project management and prepare you for further study in this area.

Learning aims

In this unit you will:

A Examine the principles and practices of project management

B Plan a project to meet specific business objectives

C Manage a project, reflecting on the success of the management methods, processes and tools applied.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Examine the principles and practices of project management	**A1** The project life cycle **A2** Methodologies and planning tools **A3** Stakeholders and the role of the project manager	An individual report identifying the importance of project management, and the methods, processes and tools available to project managers.
B Plan a project to meet specific business objectives	**B1** Elements of a project plan **B2** Project outcomes **B3** Planning tools **B4** Risks and contingency plans	Learners plan, manage and review a project. Evidence of this such as a project plan, diary entries, minutes of meetings, witness statements, assessor records, must be presented. A written report could record project outcomes and evaluate the success of the techniques, methods and tools used to manage the project. The report could conclude with a detailed consideration of alternative approaches that could be used with future projects of this type.
C Manage a project, reflecting on the success of the management methods, processes and tools applied	**C1** Manage time and resources against a plan **C2** Review project management methodologies and tools	

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Content

Learning aim A: Examine the principles and practices of project management

A1 The project life cycle

- Definition of a project and the difference between a project and a process.
- Types and characteristics of different projects, e.g. software development, managing change, establishing a new team.
- Importance of effective project management.
- Project characteristics, including start and end points, project objectives, project ends once the end point is reached.
- Basic principles of project management:
  - project structure, including link between quality, time and resources
  - definition phase, including quality of outcomes, depends on correct interpretation of what is required
  - setting goals, outcomes, milestones
  - transparency on project status – methods of sharing plans and progress
  - risk recognition
  - managing disturbances or risks
  - responsibility of project manager.
- Stages in the life cycle:
  - initiation
  - planning
  - implementation
  - completion
  - evaluation.

A2 Methodologies and planning tools

Features and characteristics of methodologies and planning tools.

- Methodologies: terminology and benefits of different project management approaches, e.g. Waterfall, Prince2 and Agile.
- Usefulness of planning tools, e.g. schedules, critical path analysis (CPA), Gantt charts and project management software, modelling techniques, performance reviews.
- Running effective project meetings, including effective chair, clear aims, time limited.

A3 Stakeholders and the role of the project manager

Influence and impact of stakeholders on a project, and of the project on stakeholders.

- Stakeholder – anyone who gains or loses as a result of a project.
- Corporate and senior managers setting the business case for the project as project sponsors.
- Project managers and the project team responsible for:
  - delivery of the project on budget
  - day-to-day management of progress
  - responsible for allocation and monitoring of resources
  - reporting significant issues to project sponsors or senior management
  - project customer
  - project users
  - suppliers.
- Stakeholder expectations and potential conflicts.

Learning aim B: Plan a project to meet specific business objectives

B1 Elements of a project plan

Function and importance of project planning elements.

- Setting outcomes for the project.
- Defining the scope and intermediate activity stages and the setting of project boundaries.
- Setting and managing an appropriate budget.
- Agreeing intermediate and final timescales and targets.
- Allocating resources, e.g. human and physical as well as financial.
- Allocating job roles.
- Monitoring and reporting procedures.

B2 Project outcomes

- Setting realistic objectives considering the needs and expectations of various stakeholders, including improving internal processes, quality or customer service.
- Reviewing objectives against human, physical and financial resources available.
- Identifying risks and contingency planning.

B3 Planning tools

- Principles, features, advantages and disadvantages of different project methodologies and tools, e.g. Waterfall, Prince2, Agile, Gantt charts and project management software.

B4 Risks and contingency plans

- Implications on the plan of change in scope once project has commenced.
- Factors that increase costs or delay completion, including unforeseen events, staffing issues, financial issues and equipment or software deficiencies.
- Minimising risk through alternative approaches to problems.

Learning aim C: Manage a project, reflecting on the success of the management methods, processes and tools applied

C1 Manage time and resources against a plan

- Skills for project implementation and management:
  - effective reporting and communication during each stage of the project
  - monitoring of timescales and actions required to maintain end date
  - monitoring of budget and actions to minimise overspend.

C2 Review project management methodologies and tools

- Considerations when reviewing the effectiveness of project methods and tools:
  - achievement of planned outcomes
  - effectiveness of communication
  - meeting stakeholder expectations
  - reasons for problems and issues, and effectiveness of contingency planning and solutions
  - contribution of project management tools or techniques to outcomes
  - changes that would be made in the case of future projects.

Assessment criteria

<table>
<tr><th>Pass</th><th>Merit</th><th>Distinction</th></tr>
<tr><td colspan="2">Learning aim A: Examine the principles and practices of project management</td><td rowspan="2">A.D1 Evaluate the impact of appropriate methods, processes and tools used in effective project management.</td></tr>
<tr><td>A.P1 Explain the importance of effective project management.
A.P2 Explain methods, processes and tools available in project management.</td><td>A.M1 Analyse the relationship between effective project management and the use of appropriate methods, processes and tools.</td></tr>
<tr><td colspan="2">Learning aim B: Plan a project to meet specific business objectives</td><td rowspan="2">B.D2 Produce a comprehensive project management plan to achieve specific outcomes, including a detailed supporting rationale.</td></tr>
<tr><td>B.P3 Produce a basic project management plan to achieve specific outcomes.
B.P4 Explain the reasons for own project management planning decisions.</td><td>B.M2 Produce a detailed project management plan to achieve specific outcomes with a supporting rationale.</td></tr>
<tr><td colspan="2">Learning aim C: Manage a project, reflecting on the success of the management methods, processes and tools applied</td><td rowspan="2">C.D3 Evaluate the effectiveness of own complex project planning and management in meeting business objectives with a detailed justification for alternative approaches that may be used with future projects.</td></tr>
<tr><td>C.P5 Manage a basic project to meet specific business objectives, demonstrating appropriate project management skills.
C.P6 Explain the effectiveness of project planning and management processes in meeting stated objectives, making suggestions for future improvement.</td><td>C.M3 Manage a complex project to meet specific business objectives, demonstrating effective project management skills.
C.M4 Analyse the effectiveness of project planning and management processes in meeting stated objectives, suggesting alternative approaches for use with future projects.</td></tr>
</table>

Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aim: A (A.P1, A.P2, A.M1, A.D1)

Learning aims: B and C (B.P3, B.P4, C.P5, C.P6, B.M2, C.M3, C.M4, B.D2, C.D3)

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Further information for teachers and assessors

Resource requirements

There are no special resources needed for this unit.

Learning aim A

For Distinction standard, learners must discuss the principles of project management thoroughly, exploring in depth a wide range of different project management techniques and tools available to project managers. They will establish well-reasoned links between project methods and tools, the nature and scale of different project types, and the effectiveness of project outcomes. Learners will fully investigate the role of project managers and demonstrate a sound understanding of the need to balance the requirements and input of different stakeholders. Learners will provide a wide range of examples to illustrate their ideas, which will be thoroughly detailed, accurate and well-reasoned.

For Merit standard, learners must discuss the principles of project management in some detail, providing information on a range of different project management methods, processes and tools available to project managers. They will carefully consider the links between the type and scale of different projects, the methods and tools available to manage them, and successful outcomes. They will consider, in detail, the roles of project managers and stakeholders, and their impact on the effectiveness of the project. Learners will use appropriate examples to support their statements, which will be accurate, detailed and considered.

For Pass standard, learners must discuss the basic principles of project management, providing information on different project management methods, processes and tools available to project managers. They will provide links between effective project management and successful outcomes, making references to the role of project managers and stakeholders. Statements will be generally accurate, but may be generic and lacking in detail.

Learning aims B and C

For Distinction standard, learners must produce a comprehensive project plan to achieve specific outcomes. A comprehensive project may be one that requires multiple steps, stakeholders and outcomes, and tight deadlines. Their plans will be robust and thoroughly thought through, including significant contingency planning for all stages of the project. Learners must provide a supporting rationale for their planning decisions, and their rationale must demonstrate a skilful appreciation of the processes involved.

Learners must manage their project, demonstrating effective project management skills, including timely communications, adept management of multiple or conflicting elements, and prompt and effective action to resolve problems or unforeseen complexities that arise. On completion of the project, learners must review the effectiveness of the techniques, processes and tools used, leading to well-reasoned, valid judgements that consider the advantages and disadvantages of methods, techniques and processes used and their impact on the project's outcomes. Learners will produce a logical and considered analysis of alternative approaches for future projects.

For Merit standard, learners must produce a detailed project plan to achieve specific outcomes. A detailed project may be one that requires multiple steps, stakeholders or outcomes. Their plans will be sound and well thought through. Learners must provide a supporting rationale for their planning decisions, and their rationale must demonstrate a clear understanding of the processes involved.

Learners must manage their project, demonstrating effective project management skills such as timely communications and the capacity to deal appropriately with problems that arise. On completion of the project, learners must review the effectiveness of the techniques, processes and tools used, leading to well-reasoned, valid judgements, and including suitable alternative approaches for future projects.

For Pass standard, learners must produce a simple project plan to achieve specific outcomes. A simple project may be one with few outcomes, steps or contributory factors/stakeholders. Their plans will be generally sound, however may be generic or limited in detail. Learners must provide appropriate reasons for the planning decisions.

Learners must manage their project, demonstrating some appropriate project management skills such as organisation and basic communication. On completion of the project, in their review, learners must draw appropriate conclusions as to the effectiveness of the planning, the procedures, processes and tools used, and make suggestions for improvement in future projects.

Links to other units

This unit links with all other units in the specification.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop time management and problem-solving skills.

Unit 32: Business and Environmental Sustainability

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners develop an understanding of factors that influence business procedures and activities and their impact on the environment.

Unit introduction

An improved awareness of the environmental impact of business activities and a desire to operate more sustainably has meant that business organisations look more closely at their capacity to control pollution, manage waste and conserve energy. Additionally, increased public awareness of environmental issues has led to considerable investment in sustainable development and renewable energy sources. Many organisations have realised that it is both responsible practice and good business sense to develop more efficient processes, using fewer natural resources and producing less waste.

In this unit, you will learn how business activities can impact the environment, and explore ways in which business organisations can aim to improve sustainability while still meeting the needs of their stakeholders. You will investigate the business and environmental practices of local business organisations and examine ways in which they can balance the need to improve their impact on the environment with the need to carry out their business operations and achieve commercial or operational aims.

This unit will help you to progress to higher education courses exploring business practices, the environment and sustainability, and will enable you to make an informed choice of suitable organisations for employment or to partner with in business undertakings.

Learning aims

In this unit you will:

A Explore the relationship between business activities and their impact on the environment

B Examine measures available to business organisations to reduce environmental impact and improve sustainability

C Investigate ways to improve environmental impact and sustainability for a business organisation.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Explore the relationship between business activities and their impact on the environment	**A1** Business activities **A2** Environmental issues **A3** Business and environments in conflict	A critical review of how contrasting organisations can reduce the impact their business activities have on the environment.
B Examine measures available to business organisations to reduce environmental impact and improve sustainability	**B1** Measures to reduce environmental impact **B2** Improving environmental sustainability **B3** Benefits to businesses of improving environmental sustainability	
C Investigate ways to improve environmental impact and sustainability for a business organisation	**C1** Investigation methods **C2** Planning for improved practice	A report investigating how an organisation can improve its impact on environmental sustainability.

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Content

Learning aim A: Explore the relationship between business activities and their impact on the environment

A1 Business activities

Features and characteristics of business types and the influence on business activity.

- Type and size of business, including:
  - ownership, e.g. public, private
  - sector, e.g. primary, secondary, tertiary, quaternary
  - location, e.g. local, national, global, urban, rural, off-shore.
- Business activities that impact on the environment, including:
  - raising revenue and profits, cutting costs
  - encouraging sales growth
  - complying with operational legislation and regulations.
- Stakeholders in business activities, including: owners, shareholders, employees, customers, associated businesses.

A2 Environmental issues

Nature, characteristics and impact of issues facing the environment resulting from business activities.

- Business activities affecting the environment, including:
  - forest clearing, habitat removal
  - damage to land, e.g. fracking
  - urbanisation, e.g. removal of oxygen producing plants, water stress
  - intensive farming, e.g. large numbers of methane-producing livestock, hedgerow removal, chemical pesticides
  - species pressure
  - industrial production, e.g. air and water pollution, resource depletion, waste by-products, noise pollution
  - energy consumption and emissions from fuel use, e.g. gas, electricity, oil
  - increased emissions through transportation, e.g. road, rail, ship and air freight systems
  - waste including residues, e.g. surplus liquids, chemicals, packaging, unused power, water, e.g. input and output leakage, release of micro-pollutants
  - technology and planned/built-in obsolescence.
- Consumer use of products affecting the environment, e.g. single-use plastics, disposable products, plastics released when washing fabrics.
- Impact on environment, including negative effects:
  - climate change from increase in greenhouse gases
  - pollution, e.g. chemical run-off or disposal into air and water systems
  - resource depletion.
- Consequences of environmental impact, including extreme weather and temperatures, damage to ecosystems, species extinction, food chain threats, water shortages, disease in human and animal populations, e.g. birth defects, cancers, respiratory diseases.

- Stakeholders involved with the environment, including:
  - international and national government organisations and agencies, e.g. United Nations Environment Programme, UK Environment Agency, UK Department for Environment, Food and Rural Affairs (DEFRA)
  - environmental organisations and pressure groups, e.g. Friends of the Earth, Greenpeace
  - local environmental groups.

A3 Business and environments in conflict

- Considerations for business organisations, including:
  - compliance with conservation initiatives, e.g. storage (temperature control), waste
  - characteristics of customers, e.g. need for cheap products, environmental awareness
  - costs and benefits of assessing, planning and implementing changes
  - use of alternatives, e.g. materials and products, manufacturing processes, transportation
  - impact of local communities, e.g. pressure groups to reduce noise, emissions, waste
  - perceived economic gain against negative environmental impacts, e.g. cost of operating ethically and sustainably, i.e. with minimum negative environmental impact.

Learning aim B: Examine measures available to business organisations to reduce environmental impact and improve sustainability

B1 Measures to reduce environmental impact

- Measures including:
  - compliance with legislation
  - control of pollutants, e.g. air quality by controlling emissions, excessive incineration
  - land quality, e.g. reducing landfill waste, management of damaging materials, e.g. asbestos, infectious clinical waste
  - water quality, e.g. reducing polluting of rivers, lakes, seas, regulating commercial exploitation of shellfish as a food.

B2 Improving environmental sustainability

- Incorporate sustainability into business aims and objectives, including operational processes.
- Create and implement sustainable practices policies, e.g. training, external consultation, working with suppliers and environmental agencies.
- Implementing long-term and short-term sustainability projects, including:
  - energy conservation, e.g. installing occupancy sensors for storerooms and offices, increased use of renewable energy, recycling hot water and air, increasing the use of aerodynamically-designed carriers, backhauling, local sourcing to avoid unsustainable shipping, road and air freight
  - water conservation, e.g. monitoring usage using meters, leakage detection equipment, installation of automatic shut off taps
  - effective waste management, e.g. minimising waste produced, reuse for fuel, controlling packaging
  - building infrastructure changes, e.g. solar panels, glazed roofs, insulation

- sourcing alternative raw materials, replacing plastics with biodegradable materials
- positive action, e.g. carbon off-set planting
- changing customer behaviour, e.g. supermarkets charging for plastic carrier bags
- changing employee behaviour, e.g. awareness training, implementing business recycling strategy – reduce, reuse, recycle.

· Methods of assessing the impact of sustainability measures, including comparison of carbon footprints of different equipment and products, consumer and supplier loyalty.

B3 Benefits to businesses of improving environmental sustainability

Measures to produce business case argument for sustainable business practice.

· Benefits arising from:
  - 'green' marketing – improved corporate or business image, e.g. green certification, improved relationships with environmentally-conscious consumers and suppliers
  - legal compliance
  - distinction from competitors
  - access to 'green' funding and tax breaks
  - increased business opportunities, e.g. working with organisations that use only sustainable businesses
  - employee morale.

Learning aim C: Investigate ways to improve environmental impact and sustainability for a business organisation

C1 Investigation methods

· Planning research: aims, planned outcomes, task dates, review dates, monitoring, data collection tools.

· Undertaking research: primary, secondary, creating and using research resources such as surveys, observation sheets and interview questions, meeting relevant legislation, data collection.

· Presentation of current situation, including:
  - summary of methodology and research findings
  - analysis of impact of business practice and operations on the environment.

C2 Planning for improved practice

· Examining options to improve business practice, including consultation with all stakeholders.

· Recommendations for improving sustainable environment practice using business procedures and/or customer choices, including:
  - proposals based on conclusions from research
  - other considered proposals
  - rationale for proposals, including reasons for selected proposal, benefits to environment, business case for recommendations.
  - Planned stages for implementing improvements, including prioritisation activities, long-term and short-term timescales, required resources.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Explore the relationship between business activities and their impact on the environment		
A.P1 Explain the influences behind business activities that can lead to pressures on the environment. **A.P2** Explain how contrasting business activities can impact the environment.	**A.M1** Analyse how business activities can impact the environment for contrasting organisations.	**A.D1** Evaluate the impact of business activities on the environment.
Learning aim B: Examine measures available to business organisations to reduce environmental impact and improve sustainability		
B.P3 Explain sustainable business practices available to contrasting business organisations. **B.P4** Explain benefits to the environment of sustainable business practices available to contrasting business organisations.	**B.M2** Analyse the benefits to contrasting organisations and the environment of available sustainable business practices.	**B.D2** Evaluate the benefits to contrasting organisations and the environment of available sustainable business practices.
Learning aim C: Investigate ways to improve environmental impact and sustainability for a business organisation		
C.P5 Explain the impact on the environment of business activities for selected business organisation. **C.P6** Produce a plan for a selected business organisation to improve its sustainable practice and meet business needs.	**C.M3** Assess the potential benefits of improved sustainable practice for a selected business organisation.	**C.D3** Justify own recommendations to a selected business organisation for improvements to sustainable practice.

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Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, B.P4, A.M1, B.M2, A.D1, B.D2)

Learning aims: C (C.P5, C.P6, C.M3, C.D3)

Further information for teachers and assessors

Resource requirements

There are no special resources needed for this unit.

Essential information for assessment decisions

Learning aims A and B

For Distinction standard, learners must produce a well-reasoned, comprehensive review that explores, in depth, how elements of business procedures and operations used in different organisations affect the environment. Learners will explore negative processes and examples of good practice as appropriate. They will review, in detail, a wide range of environmental issues, their contributory factors and consider relevant long-term and short-term sustainability projects that will advantage both the environment and the business organisations. Learners will provide a wide range of examples to illustrate their ideas, and their reasoning will be thoroughly detailed, sustained and accurate.

For Merit standard, learners must produce a considered review that explores in detail how elements of business procedures and operations used in different organisations affect the environment. They will explore negative processes and examples of good practice as appropriate. They will review environmental issues, their contributory factors and consider relevant long-term and short-term sustainability projects that will advantage both the environment and the business organisations. Learners will provide a range of examples to illustrate their ideas, and their reasoning will be detailed, considered and mostly accurate.

For Pass standard, learners must produce a review that explores how the business procedures and operations used in different organisations affect the environment. They will explore both negative and positive effects as appropriate. Learners will review environmental issues and their contributory factors and apply a range of appropriate sustainable short-term and long-term business procedures that can advantage the environment and organisations. Learners will provide statements that are appropriate, but may be generic and lacking in detail.

Learning aim C

For Distinction standard, learners will demonstrate a thorough and detailed understanding of the operations and processes used within one local business and their effect on the environment. Learners will examine other influences such as stakeholders, competitors, their trading market, customer needs and the cost effectiveness of altering practices following research. Learners may consider issues such as current access to public transport for employees and customers and existing waste management systems.

Learner recommendations for operational improvements will be robust and well-reasoned. For example, in addressing the need for improved environmental sustainability, learners may recommend micro-changes in operations in order to take the organisation in the right direction without negatively impacting other aspects such as costs or manageability. Micro-changes could include new approaches to waste management and staff training to change attitudes. In addressing issues such as encouraging access to work environments using more ‘green’ methods, including the use of public transport, learners might consider schemes for hot-desking, flexible working hours, car sharing and promoting the benefits of walking and cycling and the systems required to implement them, balancing costs with long-term profits.

For Merit standard, learners will demonstrate a sound understanding of the operations and processes used within one local business and their effect on the environment. They will consider other influences such as stakeholders and the cost effectiveness of altering practices following research. Learners may consider issues such as current materials used for manufacturing and packaging items, and lighting used in the work premises.

Learner recommendations for improvements to operations will be specific and detailed with logical, supported reasoning – or example in addressing the need to consider the use of some recycled materials for production and packaging, as well as installing occupancy sensors for storerooms and offices and halide lamps in car parks. Learners will present recommendations for realistic implementation improvement, making further recommendations for consequent issues.

For Pass standard, learners will show a general understanding of the operations and processes used within one local business and how they affect the environment. In exploring these practices, learners will make judgements as to how they have a negative impact, including other influences such as stakeholders. They will provide examples such as the use of energy used to light car parks, the amount of water used to prepare food and refrigerant emission leakage.

Learner recommendations for operations improvement will be mostly appropriate, although they may be generic, and will address timescales, but may not consider a broad range of implications for the organisation. For example, in addressing the need for improved environmental sustainability, they may recommend changes to more eco-friendly refrigeration units or the local sourcing of some operations, but will not have fully considered the costs.

Links to other units

This unit links to:

- Unit 1: Exploring Business
- Unit 3: Business Finance
- Unit 20: Business Ethics.

Employer involvement

This unit would benefit from employer involvement in the form of:

- access to systems and operations
- masterclasses or technical workshops involving staff from local organisations implementing sustainability projects
- contribution of ideas to unit assignment/project materials
- support from local organisations staff as mentors.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop critical review and report writing skills.

Unit 33: Enterprise and Entrepreneurs

Level: **3**
Unit type: **Internal**
Guided learning hours: **90**

Unit in brief

Learners study enterprise and the mindset of entrepreneurs, exploring the risks, opportunities and constraints of starting an enterprise.

Unit introduction

Enterprise is important because it is the creation of new ventures that drive the economy, employment, growth and innovation across the UK. Entrepreneurs are those who take that first brave step, identify an opportunity and start their own enterprise. They have a clear vision and the determination to put their ideas into practice. We can all name a famous entrepreneur, but what is it that makes them so successful? What are the personal skills, qualities and characteristics that make them unique? Which attributes do they have that allow them to plan and run their enterprise?

In this unit, you will gain an overview of the importance of both enterprise and entrepreneurs to the local and national economy. You will explore their creativity and mindset as you look at real-life enterprise and entrepreneurs, and investigate the skills required to be successful. You will also look at the risks, opportunities and constraints faced by entrepreneurs in setting up their venture, assess the feasibility of a range of potential enterprise opportunities and then develop and present one idea for a local enterprise.

This unit will help you progress to employment by helping to develop key employability skills, or to vocational training, higher apprenticeships or higher education by developing relevant knowledge and understanding.

Learning aims

In this unit you will:

A Explore the nature of enterprise

B Investigate the motivations for entrepreneurship

C Examine the opportunities and constraints for enterprises and entrepreneurs

D Examine the entrepreneurial skills required to launch an enterprise.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Explore the nature of enterprise	**A1** Enterprise and entrepreneurship **A2** Mindset of the entrepreneur	A written report on a successful enterprise and its entrepreneur, considering the mindset of the entrepreneur, the opportunities and risks taken, the motivation for the venture and its importance to the economy.
B Investigate the motivations for entrepreneurship	**B1** The role of motivation when starting a new venture **B2** Barriers to setting up a venture **B3** Importance of entrepreneurs to the economy	
C Examine the opportunities and constraints for enterprises and entrepreneurs	**C1** Sources of internal and external finance **C2** Government support and non-governmental support **C3** Competition and competitive advantage **C4** External influences	A presentation for a potential enterprise opportunity, considering why it is viable, the challenges that could affect that start-up together with a consideration of the entrepreneurial skills required for the start-up.
D Examine the entrepreneurial skills required to launch an enterprise	**D1** Entrepreneurial skills **D2** Assess potential enterprise opportunities **D3** Develop the idea	

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Content

Learning aim A: Explore the nature of enterprise

A1 Enterprise and entrepreneurship

- Enterprise is the process of using creativity and innovation to meet customers' needs and aspirations by:
  - creating products and services and identifying a market for them
  - identifying gaps in the market for existing products and services
  - identifying and addressing the risks facing an enterprise to increase the likelihood of success, to include:
    - strategic, e.g. a competitor coming on to the market
    - compliance, e.g. the introduction of new health and safety legislation
    - financial, e.g. non-payment by a customer or increased interest charges on a business loan
    - operational, e.g. the breakdown or theft of key equipment
    - using enterprise skills and capabilities, including problem solving
    - using new technologies and techniques.
- Entrepreneurship is the capacity and willingness to:
  - develop, organise and manage a new venture
  - anticipate risks and uncertainty in order to make a profit.
- Types of enterprise – start-up, lifestyle, social enterprise, franchise.
- Legal formats for enterprise – sole trader, partnership, limited partnership, private limited company (LTD), public limited company (PLC).

A2 Mindset of the entrepreneur

- This includes – creativity, confidence, positivity, passion, motivation, initiative, self-belief, discipline, drive, adaptability and flexibility, intuitiveness, persuasion, imagination, desire to succeed and grow, vision, capacity to inspire, focus.

Learning aim B: Investigate the motivations for entrepreneurship

B1 The role of motivation when starting a new venture

- Autonomy and better work – seeking freedom, flexibility and better work opportunities.
- Challenge and opportunity – seeking personal challenge, fulfilling a vision, opportunities to use existing skill(s) and enhance personal reputation/fame.
- Financial motives – financial security, larger income and wealth.
- Family and legacy – seeking to continue or create a family business.

B2 Barriers to setting up a venture

- Viability – ability to sell products/services to customers.
- Regular cash flow.
- Raising finance.
- Lack of skills or experience.
- Lack of financial management skills.
- Keeping up to date and complying with regulations.

B3 Importance of entrepreneurs to the economy

- Generating economic wealth by increasing the national income.
- Providing jobs.
- Bringing about social change, creating the solutions that can improve the standard of living for the inhabitants of a country.
- Replacing older, inefficient technologies with evolved, advanced systems.

Learning aim C: Examine the opportunities and constraints for enterprises and entrepreneurs

C1 Sources of internal and external finance

- Own funds/stakeholders – family and friends or business partners.
- Equity funding – business angels, crowdfunding, venture capital, share capital, peer-to-peer lending, bank, private sector investment.
- Government funding – grants, allowances and start-up loans.

C2 Government support and non-governmental support

- Enterprising libraries – using the public libraries network to reach into communities to provide coaching, advice, meeting spaces and IT support to people interested in developing a business proposal and bringing it to market.
- Local Enterprise Partnerships (LEPs) – partnerships between local authorities and businesses that decide the priorities for investment in roads, buildings and facilities in the area.
- Enterprise Zones (EZs) – geographically-defined areas, hosted by LEPs, in which commercial and industrial businesses can receive incentives to set up or expand.

C3 Competition and competitive advantage

- Competition – an organisation in the same industry (or a similar industry) which offers a similar product or service. The presence of one or more competitors can reduce the prices of goods and services as the organisations attempt to gain a larger market share. Competition also requires organisations to become more efficient in order to reduce costs.
- Competitive advantage – superiority gained by an organisation through providing the same value as its competitors at a lower price, or through charging higher prices by providing greater value through differentiation and through the use of tangible and intangible resources.

C4 External influences

- Outline of – financial, legal, stakeholders (customers, government, shareholders, community), economic climate, technological, political, social.

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Learning aim D: Examine the entrepreneurial skills required to launch an enterprise

D1 Entrepreneurial skills

- Ability to think strategically.
- Possess clear communication and interpersonal skills to negotiate successfully and deal with stakeholders.
- Deal with all aspects of running an enterprise such as finance, legal aspects, marketing and production.

D2 Assess potential enterprise opportunities

- Ability to identify viability of potential ideas.
- Consider the risk and opportunity attached to each idea.
- Identify the barriers to the opportunity.

D3 Develop the idea

- Define what the enterprise will be and what its function and purpose are.
- Identify target market and competition.
- Decide on brand and how distinctiveness will be achieved.
- Understand how to protect the idea.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Explore the nature of enterprise		**A.D1** Evaluate the importance of the skills and mindset of the entrepreneur to the success of their enterprise.
A.P1 Explain why a chosen entrepreneur and their enterprise(s) has been successful. **A.P2** Explain, using examples, why it is important for entrepreneurs to consider the risks facing an enterprise.	**A.M1** Analyse how the skills and attributes of a chosen entrepreneur, and their attitude to risk, has contributed to the success of their enterprise.	
Learning aim B: Investigate the motivations for entrepreneurship		**B.D2** Evaluate the motivation of a specific entrepreneur for setting up their enterprise, and its importance to the economy.
B.P3 Explore the motivation of a specific entrepreneur for launching an enterprise. **B.P4** Discuss how a specific entrepreneur overcame barriers when setting up their enterprise.	**B.M2** Assess the importance of a specific entrepreneur's enterprise to the economy.	
Learning aim C: Examine the opportunities and constraints for enterprises and entrepreneurs		**C.D3** Evaluate the opportunities and constraints faced in setting up a specific enterprise.
C.P5 Investigate the sources of finance for a specific enterprise opportunity. **C.P6** Investigate the support available for setting up a specific enterprise.	**C.M3** Assess the competition and external factors to be considered in setting up a specific enterprise.	
Learning aim D: Examine the entrepreneurial skills required to launch an enterprise		**D.D4** Justify why an enterprise venture will be successful, evaluating the challenges it will face.
D.P7 Explain the skills needed to run an enterprise. **D.P8** Outline why an entrepreneur should consider the viability of an idea.	**D.M4** Assess the importance of understanding the opportunities and challenges for enterprise ideas.	

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Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit. The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, B.P4, A.M1, B.M2, A.D1, B.D2)

Learning aims: C and D (C.P5, C.P6, D.P7, D.P8, C.M3, D.M4, C.D3, D.D4)

Further information for teachers and assessors

Resource requirements

For this unit learners must have access to information on a range of businesses, including local, national and international.

Essential information for assessment decisions

Learning aims A and B

For Distinction standard, learners will produce a comprehensive report on an entrepreneur and their enterprise(s). Their presentation will be professional, logically structured, use the correct business and financial terminology and contain high-quality written language. It will include motivation, barriers and an evaluation of the impact on the economy. Learners will evaluate the mindset of the entrepreneur and the way in which they have weighed up risks versus opportunities, coming to a justified conclusion supported by relevant evidence. It will be suitable for the given audience.

For Merit standard, learners will carry out research on an entrepreneur and an enterprise and prepare a report on an enterprise and entrepreneur. Their report will be structured, use good business and financial terminology and contain quality written language. It will be suitable for the given audience.

For Pass standard, learners will carry out research on an entrepreneur and an enterprise and prepare a report that shows an understanding that enterprise has risks as well as benefits. Their report will be structured, using some business and financial terminology and containing quality written language. It will be suitable for the given audience.

Learning aims C and D

For Distinction standard, learners will produce a suitable presentation on the opportunities and constraints facing the launch of a new proposed enterprise. Their presentation will be professional, logically structured, use the correct business and financial terminology and contain high-quality written language. It will be supported by speaker notes. Learners will be able to weigh up opportunities versus constraints, coming to a justified conclusion supported by relevant evidence. It will be suitable for the given audience. In addition, learners will produce a comprehensive development plan for their entrepreneurial skills, having undertaken a skills audit.

For Merit standard, learners will prepare a suitable presentation with speaker notes that shows an understanding of the opportunities and constraints for a new local enterprise. The report will be well-structured, use business terminology and contain quality written language. It will be suitable for the given audience. In addition, learners will produce a clear development plan for their entrepreneurial skills, having undertaken a skills audit.

For Pass standard, learners will prepare a presentation that shows an understanding of the opportunities and constraints for a new local enterprise. The report will be structured, use some business terminology and contain quality written language. It will be suitable for the given audience. In addition, learners will produce a development plan for their entrepreneurial skills, having undertaken a skills audit.

Links to other units

This unit links with all other units in the programme.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- participation in audience assessment of presentations
- design/ideas to contribute to unit assignment/case study/project materials
- work experience
- own business materials as exemplars
- support from local business staff as mentors.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop key employability skills.

Unit 34: Launch and Run an Enterprise

Level: **3**
Unit type: **Internal**
Guided learning hours: **90**

Unit in brief

Learners develop the skills and attributes to launch and run an enterprise. Most of the time allocated to this unit will be spent on the running of the enterprise.

Unit introduction

With the changing trends in employment and the lack of job security, many people are now choosing to become self-employed and start up their own enterprise. Many of these enterprises are started by young people, either as an alternative to higher education or as an enterprise that can be run alongside higher education or a job. There are many well-known examples of young entrepreneurs and there is nothing to stop you from joining their ranks. You need a good idea, to spot a gap in the market and have the organisational skills to launch and run an enterprise.

In this unit you will develop a plan for an enterprise and create a marketing strategy to inform your target market about your product/service. Once you have stimulated the demand for your product/service, you will launch and run your enterprise for a set period of time. You will be able to draw on the knowledge, understanding and skills you have developed through studying earlier units to help make your enterprise a success. To complete the assessment task within this unit, you will need to draw on your learning from across your programme.

This unit will develop your teamwork, communication, time-management, negotiation and problem-solving skills. It will help you develop the essential transferable skills that employers look for, and which are needed to start an enterprise. The unit will provide a useful opportunity to consider career plans and further study.

Learning aims

In this unit you will:

A Research and develop a plan to launch an enterprise

B Develop a marketing strategy to launch the enterprise

C Run an enterprise

D Review the outcomes of the enterprise.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Research and develop a plan to launch an enterprise	**A1** Research an opportunity for a product or service **A2** Research the financial feasibility of the enterprise **A3** Develop a plan for the enterprise	A clear and concise plan for a proposed enterprise that would be appropriate for a potential investor. The plan will give an overview of the enterprise idea, its feasibility, and show knowledge of the market, figures and forecasts together with the risks and opportunities involved, including a marketing plan outlining the strategies to be used to launch the enterprise.
B Develop a marketing strategy to launch the enterprise	**B1** Research information to identify the needs and wants of customers **B2** Marketing strategy	
C Run an enterprise	**C1** Enterprise set-up **C2** Resources **C3** Performance and monitoring	A report, including financial data and customer feedback, evaluating the enterprise. Appendices to the report will include: a diary/log of day-to-day activities carried out while running the enterprise together with appropriate observation records/witness statements, weekly accounts.
D Review the outcomes of the enterprise	**D1** Use financial data **D2** Customer feedback **D3** Create and present final report	

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Content

Learning aim A: Research and develop a plan to launch an enterprise

A1 Research an opportunity for a product or service

- Target market.
- Identifying customer needs.
- Identifying a gap in the market.
- Opportunities for a product/service.
- Current market trends.
- Potential demand.
- Economic climate.
- Identifying business risks, including a competitor analysis.

A2 Research the financial feasibility of the enterprise

- Determine amount of finance needed.
- Projected profit/loss over period of development and maturity.
- Break-even and margin of safety.

A3 Develop a plan for the enterprise

- Executive summary – vision, purpose, summary of proposition, outline of rewards.
- Legal structure and operation – sole trader, business partnership, limited partnership, limited liability partnership, limited company.
- Finance – requirements, potential sources of finance.
- Summary of market(s) and competition – local, national and international business environment, market research, competitor analysis.
- Measures of success – financial and non-financial key performance measures:
  - financial – market share, sales turnover, profit and profit margins
  - non-financial – analysis of performance against business vision, mission, aims and objectives, customer satisfaction, product reliability.
- Appendices – any other evidence to support business plan, e.g. personal profile of the owner, decision-making and reporting structures within the business, advisers.

Learning aim B: Develop a marketing strategy to launch the enterprise

B1 Research information to identify the needs and wants of customers

Consideration of:

- target markets
- relevant market segments
- size, structure and trends in the market
- competition.

B2 Marketing strategy

- Product, including USP (unique selling point), links to target market and market segment.
- Price, including pricing strategies, pricing tactics.

- Promotion, including the promotional mix, links to target market and market segmentation, the use of technology in promoting the business and its products, e.g. websites, social media, online reviews and apps.
- Place, including distribution channels, e.g. online distribution.

Learning aim C: Run an enterprise

C1 Enterprise set-up

- Decide on type of format, e.g. sole trader, partnership, private limited company.
- Legal formalities, including company name, company documentation, e.g. memorandum and articles of association, deed of partnership, obtain licences.
- Check health and safety requirements.

C2 Resources

- Physical – premises, equipment.
- Human – personnel requirements.
- Financial – sources of finance start-up.

C3 Performance and monitoring

- Meetings – reasons for holding meetings, types of meeting, e.g. formal or informal.
- Regular reviews, both personal and company.
- Promotion strategies, take action to realign promotion strategies to meet changes in the business environment.
- Financial performance, variances, changes in break-even.
- Purchasing, including suppliers.
- Sales forecasts and targets.
- Cash flow forecast.
- Maintain a daily log of activities.

Learning aim D: Review the outcomes of the enterprise

D1 Use financial data

- Cash flow.
- Variance analysis – measurement of actual against predicted budgets.
- Income statement – sales revenue, gross profit, net profit.
- Statement of financial position.
- Ratio analysis – liquidity, profitability, performance.

D2 Customer feedback

- Surveys.
- Focus groups.
- Face-to-face interviews.

D3 Create and present final report

- Produce a formal business report/executive summary using appropriate presentation techniques.
- Create a presentation of the enterprise activity for an external audience.
- Present final report to external audience, reflecting on performance and including finances.

Assessment criteria

<table>
<tr><th>Pass</th><th>Merit</th><th>Distinction</th></tr>
<tr><td colspan="2">Learning aim A: Research and develop a plan for an enterprise</td><td rowspan="4">AB.D1 Evaluate the feasibility of the new venture and its business plan and recommend a marketing strategy for bringing a product or service to the market.</td></tr>
<tr><td>A.P1 Investigate the opportunities for the development of a new enterprise.
A.P2 Produce a business plan containing the required information for an enterprise development.</td><td>A.M1 Analyse the financial information contained in a business plan.</td></tr>
<tr><td colspan="2">Learning aim B: Develop a marketing strategy to launch the enterprise</td></tr>
<tr><td>B.P3 Investigate the potential market for a product or service for a new enterprise, creating an outline plan for a marketing strategy.</td><td>B.M2 Analyse the contribution of each element in a marketing strategy for the launch of a product or service for a new enterprise.</td></tr>
<tr><td colspan="2">Learning aim C: Run an enterprise</td><td rowspan="2">C.D2 Evaluate the monitoring and performance of the enterprise against its key targets and forecasts.</td></tr>
<tr><td>C.P4 Select a legal format and the resources required for a new enterprise start-up.
C.P5 Launch and run a new enterprise start-up.</td><td>C.M3 Analyse the effectiveness of the selected format, resources and monitoring during the running of the enterprise.</td></tr>
<tr><td colspan="2">Learning aim D: Review the outcomes of the enterprise</td><td rowspan="2">D.D3 Recommend and justify a set of actions to improve the outcomes of the enterprise.</td></tr>
<tr><td>D.P6 Explain the outcomes of the enterprise using your financial data and customer feedback.
D.P7 Present the outcomes of the enterprise to an external audience.</td><td>D.M4 Assess the outcomes of the enterprise against its key target areas and present to an external audience.</td></tr>
</table>

Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, A.M1, B.M2, AB.D1)

Learning aims: C and D (C.P4, C.P5, D.P6, D.P7, C.M3, D.M4, C.D2, D.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to an appropriate environment in which to operate an enterprise.

Essential information for assessment decisions

Learning aims A and B

For Distinction standard, learners will carry out in-depth research using primary and secondary research sources to present a well-argued case for bringing a product or service to the market. Learners' enterprise plans will include an evaluation of the feasibility of their proposed enterprise, using a comprehensive financial analysis of the costs and income associated with the enterprise moving forward. Their plan will be well structured, use appropriate terminology and contain quality written language. It will include a detailed marketing plan with realistic targets, incorporating both financial and non-financial performance measures.

For Merit standard, learners will carry out research using primary and secondary research sources to present a case for bringing a product or service to the market. They will support this with a financial analysis of the proposed enterprise. Their enterprise plan will be well structured, use appropriate terminology and contain quality written language. It will include a detailed marketing plan with realistic targets.

For Pass standard, learners will carry out research in order to determine the feasibility of bringing a particular product or service to the market. Learners' enterprise plans will make reference to this research along with the risks that have been identified. Their plan will include a marketing strategy based on the elements of the marketing mix, including appropriate performance measures. Their enterprise plan will be well structured, use some business and financial terminology and contain quality written language. It will be suitable for the given audience.

Learning aims C and D

For Distinction standard, learners will provide a rationale for the format of their enterprise. They will demonstrate this using a comprehensive system for recording financial transactions and use management information to make decisions that they will log, along with the impact of these decisions on performance. Their report will be well structured, use appropriate terminology and contain quality written language. It will be suitable for the given audience.

Learners will produce a set of notes to use in a presentation that will be professional, logically structured, use correct financial terminology and contain high-quality written language. Learners will respond appropriately and confidently to issues raised by the audience relating to the evaluation of the overall performance of the enterprise.

For Merit standard, learners will provide a rationale for the proposed format of their enterprise. They will establish a system for recording financial transactions and analyse this data to make informed decisions. Learners will maintain an ongoing log in which they record how they reached their decisions. Their report will be well structured, use appropriate terminology and contain quality written language. It will be suitable for the given audience.

Learners will prepare a suitable presentation with speaker notes that shows an understanding of the challenges involved in running an enterprise. Learners will respond effectively to questions.

For Pass standard, learners will determine the format for an enterprise. They will maintain a log of the decisions they have made in response to the tracking of performance against its key performance indicators.

Learners' logs will form the basis of a report and presentation in which learners will be expected to justify the basis of their decisions to a given audience. Their report will be structured, use some business terminology and contain quality written language. Learners will be able to respond to the majority of questions.

Links to other units

This unit links to:

- Unit 2: Research and Plan a Marketing Campaign
- Unit 3: Business Finance
- Unit 33: Enterprise and Entrepreneurs.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speaker or masterclasses from a local entrepreneur.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop marketing strategy and entrepreneurial skills.

Unit 35: Survival and Growth

Level: **3**
Unit type: **Internal**
Guided learning hours: **90**

Unit in brief

Learners study the factors which influence the survival of enterprises and consider the strategies which can influence their growth and future direction.

Unit introduction

In order to survive, an enterprise must ensure that it controls costs and uses resources as efficiently as possible. Technology can play an important role in this and provide information to help identify market opportunities and formulate strategies to influence the growth and future direction of the enterprise. As it grows, the venture may need additional human resources. This will impose legal responsibilities on the owners, who have to decide the most effective way to organise and motivate the workforce. There will also be a stage in the development of the enterprise when the owners will have to decide whether they will seek additional capital to finance future growth or to sell the business.

In this unit, you will explore the factors influencing the survival of the enterprise, including the role of technology and the implications of increasing the size of the workforce, considering the choices available to an enterprise wishing to expand.
You will also investigate the reasons why enterprises fail, looking at both internal and external factors in the business environment. Alternatively, an owner may wish to sell their enterprise, rather than expand, and you will consider the factors they need to take into account when deciding an exit strategy.

This unit will help you to obtain a more in-depth understanding of the challenges faced by entrepreneurs. It will help you when making career choices and will also support progression to higher education.

Learning aims

In this unit you will:

A Explore the factors which influence the survival of an enterprise

B Examine the ways in which business growth can be measured

C Investigate the reasons why some enterprises might fail

D Explore the growth and exit strategies which could be considered by the owners of an enterprise.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Explore the factors which influence the survival of an enterprise	**A1** Management of physical and human resources **A2** Role of technology on enterprise operations **A3** Influence of technology in the market	A report which uses business and market data to identify growth trends in enterprises and market sectors, how technology supports this and the impact on human resources.
B Examine the ways in which business growth can be measured	**B1** Financial growth measures **B2** Non-financial growth measures	
C Investigate the reasons why some enterprises might fail	**C1** Internal factors **C2** External factors	A presentation based on a situational analysis which looks at internal and external factors, growth and exit strategies.
D Explore the growth and exit strategies which could be considered by the owners of an enterprise	**D1** Growth strategies **D2** Planning for an exit strategy	

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Content

Learning aim A: Explore the factors which influence the survival of an enterprise

A1 Management of physical and human resources

- Purpose of resource management: promoting efficiency; controlling costs; increasing productivity; maximising profits; retaining talent; maximising customer satisfaction and retention; maintaining a competitive edge.
- Managing physical resources: distinguish between capital and operating/revenue costs; impact of depreciation and replacement costs; inventory as a business cost; inventory turnover; importance of inventory management in cost control; budget-setting, monitoring and forecasting.
- Managing human resources: the purpose of human resource planning; the stages in the recruitment and selection of staff; legal implications of recruiting, selecting and employing staff; strategies to improve the effectiveness of the workforce, including financial and non-financial motivators.
- The product life cycle: how the stages of the product life cycle may impact on the volume of physical and human resources required by the enterprise.

A2 Role of technology on enterprise operations

- Communications: internal and external business communications, recruitment, marketing and promotion.
- Efficiency and cost control: work-flow processes, e.g. ordering, inventory control, accounting, production facilities.
- Mobility: the virtual office and remote working.
- Decision making: management information; management information systems; role of management information in aiding decision-making and reducing business risks.

A3 Influence of technology in the market

- The role of the internet: opportunities and challenges for entrepreneurs and enterprises.
- Use of technology in developing customer relationship strategies, e.g. digital media, social media and viral marketing.

Learning aim B: Examine the ways in which business growth can be measured

B1 Financial growth measures

- Profit: gross profit; net profit; profit margins.
- Sales turnover: difference between sales turnover and profit.
- Capital employed: definition; return on capital employed (ROCE).
- The importance of cash flow.

B2 Non-financial growth measures

- Market share: percentage market share in the target market; trends over time.
- Total sales: trends over time.
- Total output: distinguish between production and productivity; average or unit costs.

- Number of products: the product portfolio; contribution of different products to growth.
- Number of employees: composition of the workforce; specialist employees in the functional areas.

Learning aim C: Investigate the reasons why some enterprises might fail

C1 Internal factors

- Lack of planning: the role of business planning in identifying markets; setting and monitoring business targets; expensive business loans.
- Unrealistic and over-ambitious business plans, e.g. sales turnover and profits are over-stated; size of market over-stated.
- Poor management: weak cost control systems, e.g. poor credit control; irrecoverable debts; inefficient procurement systems; weak inventory control.
- Insufficient capital: unable to secure business loans; profits not sufficient to finance expansion; too much capital tied up in stock; poor credit control.
- Cash flow problems: impact of rising costs on the enterprise; impact of rising costs on suppliers and cost of suppliers; impact of the decline phase of the product life cycle on sales turnover.
- Over-expansion: loss of management control over the key business functions, e.g. finance; production; administration; customer service; human resources.
- Failure to exploit technology, e.g. over-reliance on traditional marketing activities; e-business not fully exploited.
- Loss of key staff: over-reliance on key staff; poor continuity planning; difficulties in recruiting replacement employees.

C2 External factors

- Competitive market pressures, e.g. new entrants; aggressive marketing by competitors.
- Changes in consumer tastes and preferences.
- External constraints, e.g. new government legislation; statutory controls; codes of practice; introduction of licences to practice.
- Changes in the labour market, e.g. availability of skilled and experienced workforce.
- Over specialisation, e.g. over-reliance on small number of customers, suppliers or products.

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Learning aim D: Explore the growth and exit strategies which could be considered by the owners of an enterprise

D1 Growth strategies

- The Ansoff Matrix: product development; market development; diversification; market penetration.
- Role of the internet in promoting business growth: 24/7 operations; online ordering; opening up new markets domestically and internationally; web reviews.
- Leveraging partnerships with larger business organisations.
- Obtain additional finance: business loans; angel investors; crowd funding; government grants.
- Change the ownership of the enterprise: partnership; limited company; implications for the owner(s).
- Franchise opportunities: the main features of a franchise agreement; how developing a franchise strategy can promote business growth; implications of a business franchise for the franchiser and the franchisee.

D2 Planning for an exit strategy

- Reasons for exit, e.g. financial or personal, prepare a realistic valuation of the business, the importance of the statement of financial position and goodwill to potential purchasers.
- Possible exit routes, e.g. trade sale, family succession, management buy-out (internal), management buy-in (external), stock market flotation, liquidation and cease trading.
- Possible successors and potential buyers: role of specialist advisers, e.g. corporate estate agents and corporate finance advisers.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Explore the factors which influence the survival of an enterprise		
A.P1 Explain how technology can support the growth of an enterprise. **A.P2** Explain the legal implications involved in the management of human resources for an enterprise.	**A.M1** Analyse the implications for an enterprise of using technology and employing human resources.	**A.D1** Evaluate how the stages of the product life cycle may impact on the resource requirements of an enterprise.
Learning aim B: Examine the ways in which business growth can be measured		
B.P3 Explain the financial performance indicators which can be used to measure the growth of an enterprise. **B.P4** Explore the non-financial measures which can be used to assess the growth of an enterprise.	**B.M2** Analyse the relative importance of measures applied to the growth of enterprises.	**B.D2** Evaluate the relative performance of enterprises using a range of growth indicators.
Learning aim C: Investigate the reasons why some enterprises might fail		
C.P5 Explain the internal factors which may impact negatively on the survival of an enterprise. **C.P6** Explain the external factors which can impact negatively on the survival of an enterprise.	**C.M3** Analyse how changes in market conditions can increase the risk of failure for an enterprise.	**C.D3** Recommend and justify actions to address the risk of failure for an enterprise.
Learning aim D: Explore the growth and exit strategies which could be considered by the owners of an enterprise		
D.P7 Explain the options available to finance the growth of an enterprise. **D.P8** Explore the exit routes available to the owner(s) of an enterprise.	**D.M4** Use the Ansoff Matrix to analyse appropriate growth strategies in different situations. **D.M5** Analyse the exit routes available to the owner(s) of an enterprise in a range of different contexts.	**D.D4** Evaluate the options available to an enterprise in relation to growth and exit strategies.

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Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, B.P4, A.M1, B.M2, A.D1, B.D2)

Learning aims: C and D (C.P5, C.P6, D.P7, D.P8, C.M3, D.M4, D.M5, C.D3, D.D4)

Further information for teachers and assessors

Resource requirements

For this unit learners must have access to information on a range of enterprises.

Essential information for assessment decisions

Learning aims A and B

To complete this assignment learners must ensure they select an enterprise which gives them the depth of information they will need. The choice of enterprise will be individual and not teacher led.

For Distinction standard, learners will individually prepare a report which incorporates a wide range of research evidence drawn from relevant sources. Learners will evaluate the impact on resource requirements at different stages in the product life cycle relating to growth measures, including sales turnover, market share and profit margins. Careful consideration will be given to all relevant factors, with additional evidence drawn from research sources, to present a reasoned and logical evaluation of how the requirements for both technological and human resources change over the period of the product life cycle.

For Merit standard, learners will show that they have selected relevant research sources and applied their knowledge and understanding of how business growth can be measured as well as considering the costs of technology and human resources when implementing a growth strategy. Learners will consider the relative importance of different measures of business growth. For example, an enterprise operating in a number of different markets may determine that current low market demand in one of its new markets may be subject in the future to market pressures which will stimulate further growth in demand for its products.

For Pass standard, learners will explain how technology can influence business growth in two areas, one of which should be a functional area (marketing, finance or production) and either planning or communications. Learners will show the application of management information in enterprise activities. Learners will also be expected to identify the legal obligations imposed on the enterprise in two areas (recruitment, health and safety or restructuring resulting in a planned reduction in the size of the workforce). A detailed knowledge of the employment law is not expected.

Learning aims C and D

For Distinction standard, learners will present a research study which incorporates evidence drawn from relevant sources. Careful consideration will be given to each of the growth strategies identified. The actions recommended to address the risks of failure should be relevant and appropriate to the enterprise, with due recognition given to such factors as the costs of implementation, timescales and the capacity of management to implement the identified actions, and also exit strategies.

For Merit standard, learners will use a situational analysis such as the Ansoff Matrix to show the impact of changing market conditions in different markets on the level of risk of business failure.

For Pass standard, learners will explore the options available to the enterprise to finance business growth, distinguishing between characteristics and time horizons of each of the options identified. Learners will explain the internal and external factors which can impact on the future survival of the enterprise.

Links to other units

This unit links to *Unit 33: Enterprise and Entrepreneurs*.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- participation in audience assessment of presentations
- design/ideas to contribute to unit assignment/case study/project materials
- work experience
- own enterprise materials as exemplars
- support from local enterprise staff as mentors.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop report writing and presentation skills.

Unit 36: Social Enterprise

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners research and develop an understanding of organisations trading for social purposes, gaining practical experience in planning and running a short social enterprise activity.

Unit introduction

Social enterprise is any organisation that has primarily social objectives or a social moral purpose, for example tackling social problems, improving communities and people's life chances, or the environment. Rather than maximising profit for shareholders and owners, social enterprises have a different purpose as they reinvest the profits/surpluses made back into the organisation and into the community. Social enterprises are sometimes referred to as having a 'double bottom line' as their objective is achieving targets that are both social and financial.

In this unit, you will learn about social enterprise, an ethos that is growing around the globe and is gaining support from the public, private and voluntary sectors. The national body for social enterprise, Social Enterprise UK, has described Britain as being on the frontline of social enterprise activity compared with the rest of the world. Social enterprises compete in the marketplace and need to be well run to make money and achieve their social aims. They can vary from small community-owned village shops to large organisations delivering public services. You will explore what it is that makes them a success or a failure and will then engage in running a short social enterprise of your choice.

This unit will help you to progress to employment through developing key employability skills, and to vocational training and higher apprenticeships or higher education by developing relevant knowledge and understanding.

Learning aims

In this unit you will:

A Investigate a range of social enterprises

B Explore the factors that contribute to the success or failure of social enterprises

C Plan, participate in and review a short social enterprise activity.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Investigate a range of social enterprises	**A1** Principles and values of social enterprises **A2** Operation of social enterprises **A3** Social enterprise versus corporate social responsibility	A report based on learners' research that examines a chosen social enterprise, and the factors that have determined its success or failure.
B Explore the factors that contribute to the success or failure of social enterprises	**B1** Factors contributing to success **B2** Factors contributing to failure	
C Plan, participate in and review a short social enterprise activity	**C1** Planning and running a social enterprise activity **C2** Reviewing a social enterprise activity	Active contribution to the planning and running of a one-off short social enterprise activity, accompanied by observation records and other supporting evidence, as well as a review of its outcome.

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Content

Learning aim A: Investigate a range of social enterprises

A1 Principles and values of social enterprises

- Social enterprise: has primarily social objectives, profits/surpluses are reinvested in the organisation or into the community rather than being maximised for shareholders.
- Principles and values of social enterprises:
  - generate more than 50 per cent of income through commercial activity, by selling goods and services
  - set up specifically to make a difference, as stated in the governing documents
  - reinvest at least 50 per cent of the profits/surpluses made in support of their social mission
  - have social or environmental aims, spending profits/surpluses fulfilling these aims
  - distribute residual assets to social or environmental aims if dissolved
  - demonstrate social values.
- Social entrepreneur: a person who pursues an innovative idea with the potential to solve a community problem, a person willing to take on the risk and effort to create positive changes in society through their initiatives.

A2 Operation of social enterprises

- This includes their type, framework and structure.
- Types of social enterprise:
  - cooperatives – profit or not-for-profit, owned by members who also use their services
  - credit unions – community-based savings and loans cooperatives providing financial services to members
  - public service mutual – organisations that have left the public sector but continue delivering public services
  - development trusts – community-based enterprises set up to regenerate a local area
  - social firms – set up to specifically provide training and employment for people with disabilities
  - community businesses – set up to create jobs and provide goods and services within a local community
  - trading arms of charities
  - new enterprises established by social entrepreneurs or the business sector.
- Frameworks for social enterprise:
  - cross-compensation – one group pays for the service, profits are used to subsidise the service for another underserved group, e.g. learners donate used textbooks that are resold to learners at college with profits made used to fund social programmes at the college
  - fee-for-service – beneficiaries pay directly for the goods or services provided by the social enterprise, e.g. community shop
  - employment and skills training – providing living wages, skills development and job training to the employees, e.g. a food establishment that builds employment skills for underemployed groups

- market intermediary – distributing to a market, e.g. selling socially- and ethically- conscious products
- market connector – facilitating trade relationships between beneficiaries and new markets, e.g. social crowdfunding.

· Structures of social enterprise:
- industrial and provident societies (IPS) – most commonly used for cooperatives and community benefit societies
- UK community interest company (CIC) – a form of limited liability company designed specifically for social enterprises that can be limited by guarantee or shares
- limited liability company (LLC) – limited by guarantee or shares
- group structure with charitable status.

A3 Social enterprise versus corporate social responsibility

· Social enterprise: one that tries to achieve its financial goals while minimising any negative impact on society or the environment, maximising the amount of social good created balanced against financial goals.

· Corporate social responsibility (CSR): conduct that is ethical, taking account of social, economic and environmental impact, and consideration of human rights, the fulfilment of social or environmental goals, an attempt to minimise the negative impact on society or the environment.

Learning aim B: Explore the factors that contribute to the success or failure of social enterprises

B1 Factors contributing to success

· Clear primary purpose, e.g. addresses a social need, for common good.

· Comprehensive approach to planning, e.g. idea, stakeholders, customers, finance, marketing.

· Commitment and resourcing, e.g. having sufficient start-up capital and continuing resources.

· Availability/eligibility for funding, available current sources of funding.

B2 Factors contributing to failure

· The ‘double bottom line’: achieving a social goal and being a sustainable commercial organisation.

· Mission drift: being diverted from the social mission.

· Unrealistic financial expectations or lack of availability/eligibility for funding.

· Lack of ‘business acumen', e.g. misunderstanding the difference between revenue, profit and cash, failing to take into account operating costs when reporting profits, overestimating the potential for financial returns, over-optimism.

Learning aim C: Plan, participate in and review a short social enterprise activity

C1 Planning and running a social enterprise activity

- Social enterprise activity: creates social wealth, takes into account people, the planet and profit, commercially viable, socially and environmentally responsible.
- Plan that sets social and commercial objectives, meeting stakeholders' needs, funding, finances, timescale, support, resources.
- GROW model:
  - goal, e.g. helping the environment, helping those in need, helping the armed forces/emergency services, supporting amateur sport, supporting science, art, heritage, culture, improving education
  - reality, e.g. how will income be generated from trading, sources of finance, resources/equipment available, people to help
  - obstacles, e.g. finding money to start up, knowing what to charge
  - way forward, e.g. action timeline, to-do lists, gaining support from mentors or professionals.

C2 Reviewing a social enterprise activity

- Social accounting and audit: measuring performance alongside financial measurement, measuring the financial, social and environmental impact against objectives/goals.
- Evaluation of the activity to measure outcomes against plan: meeting planned social and commercial objectives, meeting stakeholder needs, achievement of success factors, reflecting on own contribution, what could have been improved, lessons learnt.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Investigate a range of social enterprises		**A.D1** Evaluate how a chosen social enterprise succeeds in being socially responsible as well as operating and upholding its principles and values.
A.P1 Explain the principles and values of a chosen social enterprise. **A.P2** Explain the operation of a chosen social enterprise.	**A.M1** Analyse how the operation of a chosen social enterprise supports its principles and values.	
Learning aim B: Explore the factors that contribute to the success or failure of social enterprises		**B.D2** Evaluate why a chosen social enterprise has been a success or failure.
B.P3 Explain the factors that may contribute to the success of a social enterprise. **B.P4** Explain the factors that may contribute to the failure of a social enterprise.	**B.M2** Analyse the factors for the success or failure of a social enterprise.	
Learning aim C: Plan, participate in and review a short social enterprise activity		**C.D3** Evaluate the effectiveness of a social enterprise activity including a reflection on own contribution.
C.P5 Plan for a social enterprise activity, including details of roles and responsibilities. **C.P6** Carry out a social enterprise activity. **C.P7** Review the outcomes of the social enterprise activity against the plan.	**C.M3** Analyse how the plan helped the social enterprise activity meet its objectives. **C.M4** Assess the impact of own contribution to the social enterprise activity.	

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Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, B.P4, A.M1, B.M2, A.D1, B.D2)

Learning aim: C (C.P5, C.P6, C.P7, C.M3, C.M4, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit learners must have access to information on a range of social enterprises, including local, national and international.

Essential information for assessment decisions

Learning aims A and B

For Distinction standard, learners will prepare an individual report focused on research from a number of social enterprises, allowing one to be effectively evaluated. Their report will examine the effectiveness of the chosen social enterprise and the factors that have determined its success or failure. Learners will come to a justified conclusion supported by relevant evidence. Their report will be professional, logically structured, use the correct business terminology and contain high-quality written language. It will be suitable for the given audience.

For Merit standard, learners will prepare an individual report analysing the effectiveness of a chosen social enterprise, using examples of the factors that have determined its success or failure. Their report will be structured, use good business terminology and contain quality written language. It will be suitable for the given audience.

For Pass standard, learners will prepare an individual report that shows understanding of the factors that have determined the success or failure of a social enterprise. Their report will be structured, use some business terminology and contain quality written language. It will be suitable for the given audience.

Learning aim C

For Distinction standard, learners will produce a comprehensive report on the planning, running and reviewing of a one-off social enterprise activity. Learners will evaluate the effectiveness of the social enterprise activity against the plan and include a reflection on their own contribution. They will come to a justified conclusion supported by relevant evidence. Their report will be professional, logically structured, use the correct business terminology and contain high-quality written language. It will be suitable for the given audience.

For Merit standard, learners will prepare a report on the planning, running and reviewing of a one-off social enterprise activity. Learners will assess the effectiveness of the social enterprise activity and their own contribution. Their report will be structured, use good business terminology and contain quality written language. It will be suitable for the given audience.

For Pass standard, learners will prepare a report that shows active participation in the planning, running and reviewing of a one-off social enterprise activity. Their report will be structured, use some business terminology and contain quality written language. It will be suitable for the given audience.

Links to other units

This unit links to *Unit 33: Enterprise and Entrepreneurs*.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- participation in audience assessment of presentations
- design/ideas to contribute to unit assignment/case study/project materials
- work experience
- employer enterprise materials as exemplars
- support from local enterprise staff as mentors.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop the skills needed to plan and run a social enterprise.

Unit 37: Intrapreneurship and Innovation in an Enterprise

Level: **3**
Unit type: **Internal**
Guided learning hours: **90**

Unit in brief

Learners study how intrapreneurial practices can be promoted and developed in an enterprise to support innovation and change.

Unit introduction

Bringing new and unique products and services to the market requires people who have a clear understanding of the target market, coupled with the drive and ambition to take calculated risks in order to secure financial gains. Increasingly, organisations are recognising that the same qualities and skills required by an entrepreneur should also be encouraged in their own workforce to develop a new breed of internal entrepreneurs, based on a culture of innovation and intrapreneurship.

In this unit, you will explore the characteristics of successful intrapreneurs and investigate the strategies employed by enterprises to develop and promote intrapreneurial skills in their own workforce. In doing so innovation such as new product developments would be encouraged, improvements in existing products could be made and changes to existing workplace practices could be introduced to meet the needs of the enterprise and its customers. You will examine the stages involved in the innovation process and its contribution to improving the performance of an enterprise and the achievement of its strategic objectives.

This unit will help you achieve a good understanding of what is required to be a successful entrepreneur or intrapreneur, and this will help you when making career choices. It will also support you when undertaking more advanced or specialist business-related courses when progressing to higher education.

Learning aims

In this unit you will:

A Explore the business environment in which an enterprise operates

B Investigate how intrapreneurship can be developed internally to contribute to the success of an enterprise

C Explore the role of innovation in promoting change in an enterprise

D Examine the stages of innovation and their impact on an enterprise.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Explore the business environment in which an enterprise operates	**A1** Features of the environment **A2** Influence of stakeholders on planning and decision making **A3** Enterprise risks	A report examining best practice in developing an entrepreneurial culture within a specific enterprise. The report will involve conducting research on an existing enterprise that has established a reputation either locally, nationally or internationally for its innovative business practices The report will include recommendations for an enterprise that wants to adopt an intrapreneurial approach.
B Investigate how intrapreneurship can be developed internally to contribute to the success of an enterprise	**B1** Personal attributes and qualities of a successful intrapreneur **B2** Types of leadership and management styles **B3** Teams and organisational structures **B4** Intrapreneurship and enterprise success	
C Explore the role of innovation in promoting change in an enterprise	**C1** Types of innovation **C2** Drucker's seven sources of innovation **C3** Drivers of innovation	A case study examining an innovation in a specific enterprise, including: · reasons for its development · how it was implemented · the impact the innovation had on the enterprise.
D Examine the stages of innovation and their impact on an enterprise	**D1** Innovation development **D2** Embedding innovation **D3** Assessing the effectiveness of innovation	

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Content

Learning aim A: Explore the business environment in which an enterprise operates

A1 Features of the environment

Impact of the external and internal business environment on the decisions made by an entrepreneur:

- Features of a competitive market and the role and influence of producers and consumers.
- Composition and size of target markets and their impact on the decisions made by an entrepreneur.
- Environmental analysis tools (STEEPLE and SWOT) used to analyse critical factors in the internal and external environments and their influence on the decisions made by the entrepreneur.

A2 Influence of stakeholders on planning and decision making

The impact of stakeholders on the decisions made by an entrepreneur.

- Interests of main stakeholder groups – owner, shareholders, employees, customers, suppliers, community groups, government, the notion of connected stakeholders.
- Competing stakeholder interests, e.g. shareholder value versus employee wages.
- Role and influence of social media and virtual communities.

A3 Enterprise risks

The impact of the risks faced by the enterprise when it engages in business activities.

- Risks faced by the enterprise – financial, reputational, legal.
- Potential impact of these risks on the financial security and performance of the enterprise.

Learning aim B: Investigate how intrapreneurship can be developed internally to contribute to the success of an enterprise

B1 Personal attributes and qualities of a successful intrapreneur

Characteristics and impact of intrapreneur qualities and skills on the success of an enterprise.

- Personal attributes, e.g. leadership style, qualifications and experience, occupational competence.
- Key qualities of the intrapreneur, e.g. problem solver, persuader, creative thinker, visionary, good communicator, team player, analytical and reflective.
- How qualities are used in different contexts, e.g. improving systems and processes, new product development, improving quality of product or service delivery to customer.

B2 Types of leadership and management styles

The influence of different approaches to management and leadership on the development of an intrapreneurial culture within an enterprise.

- Characteristics of different types of leadership style, including: autocratic, consultative, participative, laissez-faire.
- The potential impact on intrapreneurship of different leadership styles.
- Organisational practices to promote intrapreneurship, e.g. training and development, quality circles, teams, employee engagement, delegation.

B3 Teams and organisational structures

Influence of different team and organisational structures on the development of an intrapreneurship culture within an enterprise.

- Organisational structure, e.g. functional and matrix, impact of organisational structures on innovation and creativity.
- The relationship between effective workplace teams, intrapreneurial skills, innovation and the success of an enterprise, e.g. Apple®, Google®, Innocent®.
- Challenges implementing intrapreneurship in enterprises, e.g. equality and diversity.

B4 Intrapreneurship and enterprise success

- Influence of an intrapreneur in promoting changes in workplace practices, e.g. monitoring current operational practices, looking for and identifying opportunities for change or improvement, e.g. in order to solve an existing problem, improve overall productivity, increase the capacity of the business.
- Decision-making process – define/clarify the issue, gather facts, identify the range of solutions, consider advantages/disadvantages of the options, select best option, implement.

Learning aim C: Explore the role of innovation in promoting change in an enterprise

C1 Types of innovation

- Factors influencing innovation in an enterprise:
  - organisational change and restructuring aimed at increasing efficiency, productivity and profitability
  - changes in the internal/external business environment, e.g. responding to changes in trends or technology
  - changes in market conditions and customer needs
  - increased competition in the market
  - product development at different stages in the product life cycle.

C2 Drucker's seven sources of innovation

- Features and characteristics of Drucker's seven sources of innovation:
  - the unexpected
  - the incongruity
  - process need
  - industry and market structure change
  - demographics
  - changes in perception
  - new knowledge.

C3 Drivers of innovation

- Factors that stimulate and promote innovation:
  - leadership
  - invention – products/services and processes
  - creating a corporate culture of innovation
  - training and development of the workforce
  - technology
  - research and development – in-house or state funded
  - collaborative innovation – shareware, open source
  - business leadership and workforce development.

Learning aim D: Examine the stages of innovation and their impact on an enterprise

D1 Innovation development

The stages of innovation of a new product, service or process.

- Product/service idea, design, development, test, implement.
- Market identification, size, segmentation, customer perceptions, market testing, promotion, launch.
- Process identification, analysis, design, testing and implementation.
- Use of information technology – e-commerce, computer-aided design (CAD)/ computer-aided manufacturing (CAM)/building information modelling (BIM), additive manufacturing (3D printing), data mining and analysis, internal and external integration of information systems.
- Alignment and integration of new processes with established processes.

D2 Embedding innovation

- Strategies used to embed innovation into an enterprise:
  - organisational structure, systems and processes, including implementation testing
  - leadership, including devolved leadership to work groups
  - budget-setting process, e.g. allocate part of the budget to finance innovations through capital and revenue budgets
  - training and development
  - implementation testing.

D3 Assessing the effectiveness of innovation

- Ways in which innovation contributes to the success of the enterprise:
  - identifying new and/or improved products and services to improve revenue and profit
  - implementation of new operational processes
  - providing technical leadership
  - monopolisation through patents, licences, copyrights, trademarks, intellectual property rights.
- Innovation success measures:
  - impact on key financial performance indicators, e.g. sales revenue, costs, profit margins, productivity
  - impact on other quantitative indicators of performance, e.g. market share, market growth, sales volume
  - impact on qualitative indicators of performance, e.g. customer satisfaction and feedback, customer loyalty, brand recognition, contribution to enterprise objectives, employee loyalty.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Explore the business environment in which an enterprise operates		
A.P1 Explain how the features of the business environment have affected a specific enterprise. **A.P2** Explain how stakeholders have influenced decisions of a specific enterprise.	**A.M1** Analyse the impact of the business environment and the influence of stakeholders on the decisions of a specific enterprise.	
Learning aim B: Investigate how intrapreneurship can be developed internally to contribute to the success of an enterprise		
B.P3 Explain how the management and leadership styles and organisational structure used in a specific enterprise have helped in the development of intrapreneurship. **B.P4** Explain how an enterprise can improve its processes by using an intrapreneurial approach.	**B.M2** Assess the potential impact of recommendations aimed at developing intrapreneurship in an enterprise.	**AB.D1** Justify own recommendations for the actions an enterprise could take to promote intrapreneurship within its workforce.

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Pass	Merit	Distinction
Learning aim C: Explore the role of innovation in promoting change in an enterprise		
C.P5 Explain features of an innovation in a specific enterprise. **C.P6** Explain how an innovation contributed to the success of a specific enterprise.	**C.M3** Assess contribution of a specific innovation to an enterprise's objectives.	**CD.D2** Evaluate the impact of an innovation on the objectives of a specific enterprise. **CD.D3** Evaluate strategies implemented by an enterprise to support the innovation process and achieve objectives.
Learning aim D: Examine the stages of innovation and their impact on an enterprise		
D.P7 Explain the stages in the development of a new product or service. **D.P8** Explain actions taken by an enterprise to support the development and introduction of an innovation.	**D.M4** Examine the stages of innovation and their impact on the enterprise	

Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, B.P4, A.M1, B.M2, AB.D1)

Learning aims: C and D (C.P5, C.P6, D.P7, D.P8, C.M3, D.M4, CD.D2, CD.D3)

Further information for teachers and assessors

Resource requirements

There are no special resources needed for this unit.

Essential information for assessment decisions

Learning aims A and B

For Distinction standard, learners must present a comprehensive report that clearly identifies the relative importance of the internal and external factors that influence an enterprise, using an appropriate environmental analysis tool such as a STEEPLE or SWOT analysis. Learners will use the analysis to evaluate the risks faced by the enterprise, clearly distinguishing between financial, reputational and legal risks. Learners will use their research to clearly identify the relative importance of a range of factors that have influenced the development of an intrapreneurial culture within the enterprise. They will analyse how the enterprise addressed the challenges of establishing such a culture. Learners will clearly show how the intrapreneurial culture influences employees in the workplace and the personal skills and qualities that are required in this type of workplace culture. The critical success factors will be clearly identified and there will be a logically consistent set of recommendations that identify their actual and hidden costs, and show how best practice can be transferred between different enterprises.

Learners will provide a wide range of examples to illustrate their ideas, which will be thoroughly detailed and accurate.

For Merit standard, learners must present a detailed report that includes the outcome of a thorough environmental analysis of the market in which an enterprise operates and the main risks it must take into account. Learners will use their research to identify the main factors that have been taken into account by the enterprise when it sought to establish an intrapreneurial culture and how this has influenced the type of employees it seeks to recruit. Learners will clearly show the main factors that affected the development of such a culture and will produce a set of practical recommendations with some reference to the resource implications of implementing the recommendations. Learners will provide a range of examples to illustrate their ideas, which will be detailed and accurate.

For Pass standard, learners must produce a report that identifies the outcome of a basic environmental analysis and the implications for the enterprise of the factors that the enterprise needs to take into account in its business operations. These factors will be mapped against some of the risks faced by the business. Learners will show an understanding of the main features of an entrepreneurial culture, in particular the role of teamwork and the management and leadership styles exhibited in this type of culture, and how these factors can impact on employees working in the enterprise. Some of the recommendations included in the report may be overambitious in respect of the resources required or the organisational capacity of the enterprise.

Learners will provide statements that are generally accurate, but may be generic and lacking in detail.

Learning aims C and D

For Distinction standard, learners must show a thorough understanding of the factors identified in Drucker's model to clearly identify the factors that influenced the need for the development of a new product or service, improvements to an existing product or service or changes to a specific internal system or process. Learners must show a thorough understanding of the stages of the innovation process and the strategy taken by an enterprise to address these challenges. Learners must clearly identify the costs and any changes to organisational practices that were required to address these challenges. Learners must examine the factors that impacted on the successful implementation of the innovation, for example they could consider the importance of leadership, workforce skills, effective teamwork or effective project management skills. Learners must evaluate the impact of the innovation with reference to both quantitative and qualitative success measures. For example, learners may consider that the innovation has met the specific objectives of the enterprise, but they will contrast this with missed opportunities arising from the innovation that may have been more profitable.

The review will be logically structured, use business terminology in an appropriate context and contain high-quality written language. It will be suitable for the given audience.

For Merit standard, learners must show a good understanding of the application of Drucker's model to identify the main factors that identified the need for a specific innovation in a given organisational context. Learners will show a good understanding of the main stages involved in the innovation process and how challenges in any of the stages were identified and addressed, with some reference to the implications for the enterprise in addressing these challenges. Learners must identify the critical success factors in the innovation process and how the innovation contributed to the enterprise's strategic aims and objectives.

Learners will provide a range of examples to illustrate their ideas, which will be detailed and accurate.

For Pass standard, learners must identify which of Drucker's factors was the main driver for the development of the innovation. They will explain the main stages involved in the innovation process but will not fully articulate all the challenges faced by the enterprise at each stage of the innovation process. They will explain some of the actions taken by the enterprise to drive the innovation process forward and they will show how the innovation, once fully implemented, contributed to factors such as improvements in product design, customer feedback and financial performance. Generic conclusions will be drawn, which may be lacking in detail or not referenced in context to the specific enterprise.

Links to other units

This unit links to:

- Unit 33: Enterprise and Entrepreneurs
- Unit 34: Launch and Run an Enterprise
- Unit 35: Survival and Growth.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- participation in audience assessment of presentations
- design/ideas to contribute to unit assignment/case study/project materials
- own business materials as exemplars
- support from local business staff as mentors.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop the skills needed to make positive career choices.

Unit 38: Marketing Communications in Business

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners explore the use of marketing communications to enhance the reputation and image of a range of businesses.

Unit introduction

Marketing professionals use a range of methods to communicate with consumers. Marketing communications is a key component in the overall marketing strategy of an enterprise in order to reach the end goal of boosting awareness or revenue for that business. It is not only commercial businesses that use different forms of marketing communications to reach their customers but other organisations such as charities, tourist boards and government departments that are increasingly implementing a range of marketing communication techniques to achieve their aims and objectives.

In this unit, you will learn about the range of techniques businesses use to communicate with their consumers. These can include advertising, sales promotions, personal selling, direct marketing and public relations (PR) activities. For businesses aiming to achieve a profit, these techniques are used to persuade customers that they want to buy specific products and services. How often have you bought a product purely because of the advertising and excitement surrounding the launch of that product? Probably more than once!

This unit will help you to understand the processes involved in creating a successful marketing communications plan. The skills you develop will help you progress to study PR and marketing in higher education. Alternatively, it can help you progress to employment in PR and marketing agencies or in-house marketing departments.

Learning aims

In this unit you will:

A Explore the purpose of marketing communications in achieving marketing aims and objectives

B Investigate marketing communications techniques to raise awareness and boost revenue

C Present a marketing communications plan to a client for a specific product or service.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Explore the purpose of marketing communications in achieving marketing aims and objectives	**A1** Purpose of marketing communications **A2** Effective communication **A3** Choice of media **A4** Ethical issues	A marketing communication plan that details the purpose of marketing communications in achieving increased awareness and compares the marketing communication techniques used by two contrasting businesses.
B Investigate marketing communications techniques used to raise awareness and boost revenue	**B1** Advertising **B2** Sales promotion **B3** Public relations **B4** Direct marketing **B5** Personal selling **B6** Communication tools	
C Present a marketing communications plan to a client for a specific product or service	**C1** Plan a marketing communications package **C2** Present a marketing communications package	A presentation to a client containing all elements of the marketing communications plan for a specific product or service, including timelines and costs.

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Content

Learning aim A: Explore the purpose of marketing communications in achieving marketing aims and objectives

A1 Purpose of marketing communications

- Achieving objectives of an overall marketing strategy.
- Raising awareness.
- Reaching new customers.
- Generating sales and revenue.
- Building long-term relationships with customers.
- Providing a consistent message using a coordinated marketing mix.
- Protecting and enhancing brand image.

A2 Effective communication

- Information sharing process.
- Removal of barriers to communication.
- Use of the AIDA (attention, interest, desire, action) model.
- Choice of fonts, colours, music, images and animation.

A3 Choice of media

- Traditional and social media.
- Appropriate to the target market, e.g. geographic and demographic.
- Appropriate to the message.

A4 Ethical issues

- Nature of products and services advertised.
- Nature of media used.
- Cultural issues.
- Ethical issues.
- Legal issues, to include laws and regulations regarding types of discrimination, e.g. Equality Act 2010 and misrepresentation, e.g. Consumer Rights Act 2015.

Learning aim B: Investigate marketing communications techniques used to raise awareness and boost revenue

B1 Advertising

- Print advertising – newspapers, magazines, journals, brochures, flyers.
- Broadcast advertising – TV, cinema and radio.
- Internet advertising – pop-up messages, banners, social media, pay-per-click, how these have changed media consumption and influenced consumer behaviour.
- Outdoor advertising – billboards, hoardings, electronic screens at events and other prominent locations.
- Covert advertising – a developing trend with methods such as product placement involving no actual advertisement, e.g. a product appearing in a scene in a television programme or on stage.
- Endorsements by famous people, e.g. sports personalities.

B2 Sales promotion

- Free samples or gifts.
- Bonus packs, e.g. buy one, get one free (BOGOF).
- Money-off coupons.
- Competitions.
- Loyalty cards.
- Point of sale materials, e.g. posters, display stands.

B3 Public relations

- Events, e.g. familiarisation trips, corporate hospitality.
- Desktop tours.
- New product launches.
- Media relations, e.g. press office functions, press releases, press briefings, story pitching, e.g. identifying the outline of an article to a journalist.
- Special promotions, including competitions.
- Digital public relations practice, e.g. content development, website monitoring, maintaining social media site presence.

B4 Direct marketing

- Direct mail to named recipients by post.
- Supporting print: catalogues, brochures and flyers.
- Email campaigns to customers.

B5 Personal selling

- Customer lists and databases.
- Telemarketing.
- Face-to-face selling.
- Retail sales.
- Point of sale merchandising.

B6 Communication tools

- Website.
- SEO (Search Engine Optimisation).
- Blogging.
- Photos and infographics.
- Videos and podcasts.
- Presentations and e-books.
- Social media.

Learning aim C: Present a marketing communications plan to a client for a specific product or service

C1 Plan a marketing communications package

- Aims and objectives.
- Identifying target market.
- Campaign summary with proposed communication tools.
- Identifying an appropriate marketing communications mix for the plan.
- Allocating resources: physical, financial, staff.
- Identifying constraints: time, budgetary, ethical.

C2 Present a marketing communications package

- Types of presentation – internal, external, face to face, online, recorded, group/individual.
- Design of presentation – consideration of audience, content, running time, use of visual aids, use of audio, use of storyboards, use of web pages, script, use of presentation software, links to websites, contingency planning for technical problems.

Assessment criteria

<table>
<tr><th>Pass</th><th>Merit</th><th>Distinction</th></tr>
<tr><td colspan="2">Learning aim A: Explore the purpose of marketing communications in achieving marketing aims and objectives</td><td rowspan="2">A.D1 Evaluate the extent to which ethical and legal issues impact on the choice of a marketing communications strategy.</td></tr>
<tr><td>A.P1 Explain the purpose of marketing communications.
A.P2 Discuss how ethical and legal issues affect a marketing communications strategy.</td><td>A.M1 Assess the importance of effective communication and choice of media in the overall marketing communications strategy of a business.</td></tr>
<tr><td colspan="2">Learning aim B: Investigate marketing communications techniques used to raise awareness and boost revenue</td><td rowspan="2">B.D2 Evaluate the success of the marketing communications strategies used by two contrasting businesses.</td></tr>
<tr><td>B.P3 Explain, using examples, how two contrasting businesses use marketing communications techniques to raise awareness and boost revenue.</td><td>B.M2 Compare how two contrasting businesses use marketing communications techniques to raise awareness and boost revenue.</td></tr>
<tr><td colspan="2">Learning aim C: Present a marketing communications plan to a client for a specific product or service</td><td rowspan="2">C.D3 Evaluate the extent to which the proposed marketing communications plan meets the needs of the client.</td></tr>
<tr><td>C.P4 Develop a marketing communications plan for a product or service to meet the needs of a client.
C.P5 Demonstrate, using an appropriate method, the ability to present an original, creative marketing communications plan.</td><td>C.M3 Present a fully-justified, professional marketing communications plan, taking into account constraints, resources and target audience.</td></tr>
</table>

Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, A.M1, B.M2, A.D1, B.D2)

Learning aim: C (C.P4, C.P5, C.M3, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to computers and presentation resources.

Essential information for assessment decisions

Learning aims A and B

For Distinction standard, learners will produce a detailed, clearly researched report that demonstrates a thorough understanding of the importance of marketing communications for a range of different businesses that need to raise awareness and boost revenue. The report will show that learners have extensively considered the impact of effective communication. In the report, learners will compare the techniques used by contrasting businesses (this could be a private sector business and a charity) and evaluate the effectiveness of the strategies used, taking into account the impact of any ethical issues identified in the strategies.

For Merit standard, learners will produce a detailed report that demonstrates a good understanding of the importance of marketing communications for a range of different businesses that need to raise public awareness and boost revenue. The report will show that learners have considered, in some detail, the impact of effective communication and the choice of media. In the report, learners will compare the techniques used by contrasting businesses and identify any ethical issues that may impact on the overall strategy.

For Pass standard, learners will produce a report that demonstrates an understanding of the importance of marketing communications for a range of different businesses that need to raise public awareness and boost revenue. The report will show that learners have considered the impact of effective marketing communications and the choice of media. The report will explain how contrasting businesses use a range of different communication techniques to raise public awareness and boost revenue.

Learning aim C

For Distinction standard, learners will produce a fully-justified marketing communications plan. The plan will show that they have taken into account the aims and objectives of the marketing communications, the target audience, the budget within which they are working, the resources available and any constraints such as time and ethical constraints. Learners will produce a presentation for an audience and an evaluation, showing how the marketing communications plan would meet the needs of the target audience.

For Merit standard, learners will present a fully-justified marketing communications plan. The plan will show that they have taken into account the aims and objectives of the marketing communications, the target audience, the budget within which they are working, the resources available and any constraints such as time and ethical constraints. The plan will meet the needs of the client. Learners will present their plan to an audience.

For Pass standard, learners will produce a marketing communications plan. The plan will show that they have taken into account the aims and objectives of the marketing communications, the target audience, the budget within which they are working, the resources available and any constraints such as time and ethical constraints. The plan will meet the needs of the client. Learners will present their plan to an audience.

Links to other units

This unit links to:

- Unit 2: Research and Plan a Marketing Campaign
- Unit 34: Launch and Run an Enterprise
- Unit 39: Developing an Enterprise Strategy.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- participation in audience assessment of presentations
- design/ideas to contribute to unit assignment/case study/project materials
- work experience
- own business materials as exemplars
- support from local business staff as mentors.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop public relations and marketing skills.

Unit 39: Developing an Enterprise Strategy

Level: **3**
Unit type: **Internal**
Guided learning hours: **120**

Unit in brief

Learners study the techniques used to develop an enterprise strategy for an enterprise idea, product or service, with the aim of establishing it in the marketplace.

Unit introduction

Is enterprise luck, is it about being in the right place at the right time, or do entrepreneurs have a vision, purpose and strategy to drive their idea forward? An enterprise strategy will be developed by an entrepreneur, resulting in an idea morphing into profitable products and services.

In this unit, you will learn how to explore the feasibility and possibilities of an idea, product or service to establish it in the marketplace and in customers' minds. Enterprises often have a motivating principle that the mission, strategy and objectives come from but enterprises must take account of a wide range of factors that will shape the success of any idea for a product or service. You will learn about the enterprise environment and what opportunities there are in the market to establish an enterprise. You will consider how to develop a coherent, integrated strategy that will involve looking at the idea in the context of the environment in which it will operate. You will consider the factors needed to scale up operations to support the stability and growth of the enterprise. You will review the enterprise strategy and assess whether it will be viable before deciding whether to develop it with the identified strategy, to implement a revised strategy or to abandon it. To complete the assessment task within this unit, you will need to draw on your learning from across your programme.

This unit and the associated activities will give you the practical tools needed to contribute to and support enterprise activities. It will develop both your entrepreneurial and employability skills and is beneficial both in the workplace and to your continuing professional and higher education studies.

Learning aims

In this unit you will:

A Create the vision for an enterprise idea

B Examine the environment and market opportunities in which the enterprise will operate

C Design an integrated, scalable strategy for the enterprise

D Review the feasibility of the enterprise strategy.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Create the vision for an enterprise idea	**A1** Enterprise ideas **A2** Vision and mission **A3** Culture and values **A4** Objectives	A report that examines the effects of the internal, external and competitive environment on an enterprise, showing how the enterprise will respond and adapt to its environment and how it sets the overall vision, mission and objectives for the enterprise.
B Examine the environment and market opportunities in which the enterprise will operate	**B1** Business environment **B2** Market research **B3** Market planning **B4** Marketing **B5** Complementary marketing activities	
C Design an integrated, scalable strategy for the enterprise	**C1** Enterprise strategies **C2** Developing an enterprise strategy **C3** Developing subsidiary strategies to support the enterprise strategy **C4** Selecting the type and scale of an enterprise **C5** Aims and objectives **C6** Scaling up	A presentation of a scalable enterprise strategy, based on an assessment of the available market opportunities, to establish the presence of an enterprise in its chosen markets and review its potential feasibility/ success. Appropriate information needs to be provided to support the presentation.
D Review the feasibility of the enterprise strategy	**D1** Reviewing the enterprise strategy **D2** Benefits and risks associated with the enterprise strategy **D3** Review conclusions	A detailed review of the enterprise strategy, which identifies the benefits, risks and feasibility.

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Content

Learning aim A: Create the vision for an enterprise idea

The enterprise idea can be one that has already been developed, for example using/adapting the idea developed for Unit 4: Launch and Run an Enterprise, or developing a new idea.

A1 Enterprise ideas

- Sources of entrepreneurial ideas:
  - hobbies and interests
  - existing enterprise
  - gaps in the market
  - product and market research
  - product development
  - a new enterprise that is original or that follows/mirrors other enterprises.
- Selecting an entrepreneurial idea and identifying potential reasons for its success:
  - choosing an idea or a product/service to develop and bring to market
  - filling a market need
  - fulfilling own drive and ambition
  - supplying a product or service with a unique selling point (USP)
  - providing an opportunity to meet an entrepreneurial objective, e.g. running own enterprise, making a profit, offering a service.

A2 Vision and mission

- The vision as a motivating statement of what an enterprise seeks to achieve, the reason for its existence and purpose.
- The mission as a statement of the overarching aims of the enterprise, identifying the enterprise's processes, its target customers and the level of performance through which it fulfils its vision.

A3 Culture and values

- Culture as the way of working in an enterprise.
- Types of culture:
  - entrepreneurial – that accepts risk, creativity and learning from failure
  - task culture – based on team working on particular tasks
  - role culture – staff having defined roles
  - power culture – power and influence is exercised by a small number of people
  - person culture – trained employees share knowledge and expertise.
- Embedding the culture of an enterprise to engage owner(s), employees, customers and to support the achievement of enterprise objectives.
- Values as a core set of ethical principles, standards and beliefs that guide the way an enterprise is run and how decisions are made.

A4 Objectives

- The purposes of the enterprise, e.g. establishing the enterprise, survival, growth, profit, market share, service provision, ethical behaviours, sustainable behaviour, responsible behaviour, community and other stakeholder engagement.
- Setting SMART (Specific, Measurable, Achievable, Relevant, Time-bound) objectives.
- Linking and reconciling vision, mission, values, culture and objectives to support the development of an enterprise idea.

Learning aim B: Examine the environment and market opportunities in which the enterprise will operate

B1 Business Environment

- Political, e.g. government support, membership of trading communities.
- Economic and other government policies, e.g. demand side policy (fiscal and monetary), supply side policy, economic growth, exchange rates, levels of public and private sector investment, government objectives.
- Social attitudes to saving, spending and debt, social responsibility requirements, change, e.g. to demographic trends, consumers' tastes/preferences.
- Technological change, e.g. automation, improved communications.
- Environmental factors and ethical trends, e.g. carbon emissions, waste, recycling, pollution.
- Legal environment, e.g. Partnership Act 1890, Companies Act 2006, Charities Act 2011, Competition Act 1998, Enterprise Act 2002, UK Corporate Governance Code, financial services regulation, industry regulators, government departments.

  (Statutes and regulations current at the time of teaching should be used. Outline understanding only is expected.)
- Enterprise culture.
- Social responsibility and ethical focuses.
- Competition (local, national and international).
- Factors influencing competitive advantage, e.g. differentiation, pricing policies, market leadership, reputation, market share, cost control, technology, relationships with customers, suppliers, employees.
- Benefits and importance of establishing and maintaining a competitive advantage.
- Assessment of the enterprise environment using various techniques, e.g. STEEPLE (Social, Technological, Economic, Environmental, Political, Legal, Ethical) analysis, SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis, 5Cs (company, competitors, customers, collaborators, climate) analysis, Porter's Five Forces.

B2 Market research

- Objective of market research to help establish an enterprise by identifying market opportunities.
- Researching the market using qualitative and quantitative information.
- Primary research using surveys, observation, e-marketing, focus groups, pilot research.

- Secondary research using:
  - internal sources from a mini enterprise such as point of sale (POS) records, customer feedback, website monitoring and accounting records
  - external sources of market information, including internet information, government information and data, competitor reports, specialist market research agencies.
- Buyer behaviour and the influences on buyer behaviour, e.g. economic factors, lifestyle and life cycle factors, psychological factors, cultural factors, brand loyalty and repeat purchasing.

B3 Market planning

- Using planning tools such as the SOSTAC® (situation, objectives, strategy, tactics, action, control) model to help an enterprise with its:
  - product planning
  - market development.
- Identifying market segments in order to target products/services to customers.
- Bases for segmentation of consumer markets, e.g. geographic, demographic, psychographic, lifestyle.
- Geo-demographic systems to identify and reach target groups, e.g. Acorn, Mosaic.
- Reasons for choice of target market, e.g. accessibility, current and future prospects of group as customers, profitability, ability to service customer group, fit with enterprise's mission.

B4 Marketing

Learners should draw on prior learning from *Unit 2: Research and Plan a Marketing Campaign*.

- The effectiveness of elements of the marketing mix:
  - marketing objectives
  - budgetary allocations
  - choice of techniques
  - impact of competitor behaviour.

B5 Complementary marketing activities

- Digital marketing:
  - using digital technologies to create integrated, targeted and measurable marketing communications to acquire and retain customers and build relationships with them
  - mobile communications technologies
  - targeting specific market segments
  - developing customer databases and mining the data for marketing purposes
  - using free content for lead generation.
- Relationship marketing:
  - building mutually satisfying relations with parties in a marketing network
  - developing marketing network relationships to maintain and retain parties' long-term preferences and business with economic, technical and social ties.
- Contributing to the achievement of marketing objectives and business objectives by using digital and relationship marketing.

Learning aim C: Design an integrated, scalable strategy for the enterprise

C1 Enterprise strategies

- Developing an enterprise strategy derived from the vision and mission of the enterprise.
- Types of enterprise strategy, e.g. Porter's Generic Strategies, Ansoff Matrix.
- Strategy formulation:
  - top down or traditional
  - strategic position analysis (Johnson, Scholes, Whittington)
  - emergent strategy (Mintzberg)
  - incrementalism (Lindblom).

C2 Developing an enterprise strategy

- Deriving the enterprise strategy from the vision and mission.
- The purposes of an enterprise strategy:
  - establishing the enterprise
  - growing the enterprise
  - matching strategy to market position and an enterprise's life cycle position
  - identifying the objectives that flow from the strategy.
- Strategy planning horizons:
  - long term
  - medium term and tactical focus
  - short term and operational focus.
- Techniques to achieve the purposes of the enterprise strategy.
- Levels of investment:
  - innovation
  - market leadership
  - technological leadership
  - revenue growth
  - sales volumes growth
  - product/service profitability
  - increasing market share
  - improving productivity
  - controlling costs.

C3 Developing subsidiary strategies to support the enterprise strategy

- The financial strategy and its purposes in supporting the enterprise strategy:
  - raising capital, including sources and costs of capital
  - cost control techniques to identify, calculate and measure costs, e.g. absorption costing, marginal costing
  - prepare cash flow forecast (cash budget), subsidiary budgets, e.g. purchase, sales, inventory
  - determining selling prices using pricing techniques, e.g. cost-based pricing, competitive pricing, market skimming pricing, penetration pricing
  - managing cash flows to ensure sufficiency of working capital.

- The marketing strategy and its purposes in supporting the enterprise strategy:
  - first mover
  - pioneer, close follower, late follower
  - extended marketing mix (7Ps – product, price, place, promotion, people, physical environment and process)
  - market growth.
- The sales and distribution strategy and its purposes in supporting the enterprise strategy:
  - sales reach
  - product pricing
  - distribution channels, e.g. direct distribution, retail outlets, franchises, agents, internet sites.
- The buying strategy and its purposes in supporting the enterprise strategy:
  - sourcing supplies, e.g. local, national, international
  - agreeing fixed and competitive prices
  - ensuring uninterrupted supplies
  - managing the length of the supply chain.
- Other subsidiary strategies and their purposes in supporting the enterprise strategy:
  - human resources strategy
  - operations strategy, including production
  - information technology strategy.

C4 Selecting the type and scale of an enterprise

- The ownership and liability of an enterprise:
  - private, e.g. sole trader, partnership, private limited company, public limited company (plc)
  - liability (limited and unlimited).
- The purposes of an enterprise activity:
  - supply of products or services
  - profit or not-for-profit.
- The scope of an enterprise activity, including local, national and international operation.
- The size and scale of an enterprise activity:
  - micro – up to nine staff
  - small to medium-sized enterprise (SME) – small, between 10 and 49 staff and medium, between 50 and 249 staff
  - large – more than 250 staff.
- The enterprise stakeholders:
  - internal, e.g. managers, employees, owners
  - external, e.g. suppliers, lenders, competitors, trade receivables, trade payables, customers, government agencies and departments (local, national, international), communities (local, national, international), pressure groups, interest groups.
- The influence of stakeholders on enterprise's success, e.g. shareholder value, customers as long-term assets (strong customer service enables customer loyalty and retention), employee involvement, corporate social responsibility (community groups and interest groups).

C5 Aims and objectives

- Aims and objectives of an enterprise.
- Private, e.g. making profits, profit maximisation, break-even, survival, growth, market leadership.
- Public, e.g. service provision, cost control, value for money, service quality, meeting government standards.
- Not-for-profit, e.g. education, housing, alleviating poverty, healthcare.
- SMART objectives.

C6 Scaling up

- Using the 'strategy wheel' to identify the competencies and capacities required in an enterprise that needs to be scaled up:
  - output
  - finance
  - purchasing
  - sales and marketing
  - expertise/intellectual capital
  - operations, including production
  - information technology
  - distribution.
- Measuring competencies and capacities to identify the sufficiency and shortfalls.
- Auditing own skills, competencies and capacities.
- Assessing how to bridge the competence and capacity gap.
- Methods to scale up enterprise activities:
  - organically, using own drive and expertise
  - coaching and mentoring to augment and become confident about using personal skills, competencies and capacities
  - retained profit
  - capital investment
  - training
  - outsourcing
  - subcontracting
  - acquisitions
  - becoming an incubated enterprise with an established enterprise.
- Achieving critical enterprise mass to sustain operations.
- Limits to enterprise growth:
  - availability of capital
  - availability of resources, e.g. physical, human, intellectual, expertise
  - competitor reactions
  - overtrading.

Learning aim D: Review the feasibility of the enterprise strategy

D1 Reviewing the enterprise strategy

- Strategy evaluation (Johnson, Scholes, Whittington):
  - suitability
  - feasibility
  - acceptability.
- Input from stakeholders.
- Measuring the success and implementation of an enterprise strategy:
  - critical success factors for the strategy, e.g. innovation, strong brand, low cost base, reputation, customer perceptions
  - key performance indicators (KPIs) for the strategy, e.g. profitability, growth rate, repeat business
  - balanced scorecard.
- Assessing the benefits and risks:
  - costs and benefits
  - KPIs, e.g. financial, non-financial.

D2 Benefits and risks associated with the enterprise strategy

- Benefits of enterprise:
  - improvements to products, processes and services
  - enterprise growth
  - market leadership
  - development of new and niche markets offering products with unique selling point
  - improved recognition and reputation
  - smarter working
  - enhanced customer experience.
- Risks of enterprise:
  - failing to meet commercial and operational requirements
  - failing to achieve a return on investment
  - cultural problems, including resistance to change, unsupportive systems and processes
  - insufficient direction, leadership and support from owner(s) and management
  - market changes
  - competitor behaviour.

D3 Review conclusions

- How has perception of an enterprise strategy changed in respect of its components:
  - vision and mission
  - enterprise objectives
  - environmental factors
  - market opportunities
  - subsidiary strategies
  - scaling up operations.

- Deciding on a course of action with a supporting rationale and contingency plan:
  - adopting the strategy for the enterprise
  - modifying the strategy for the enterprise
  - abandoning an enterprise idea and the associated strategy.
- Presenting a review of an enterprise strategy:
  - format, e.g. report, screen-based, spoken
  - types of information, e.g. textual, numerical, graphical
  - recognising the needs of the readers of an enterprise strategy review and ensuring it is intelligible to different types of reader
  - review conclusions.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Create the vision for an enterprise idea		
A.P1 Produce a vision and mission for an enterprise idea to provide a basis for formulating the enterprise's objectives.	**A.M1** Assess, via market research, the suitability of the enterprise idea.	
Learning aim B: Examine the environment and market opportunities in which the enterprise will operate		**AB.D1** Evaluate the extent to which the enterprise environment affects the enterprise, using situational analysis techniques.
B.P2 Discuss the internal, external and competitive environment of an enterprise. **B.P3** Select techniques to undertake a situational analysis of an enterprise. **B.P4** Identify the market opportunities for an enterprise to sell its products and/or services successfully. **B.P5** Explain how an enterprise will develop marketing approaches in its target markets.	**B.M2** Analyse the importance of identifying and developing the enterprise within its chosen markets and environment to the success of an enterprise.	
Learning aim C: Design an integrated, scalable strategy for the enterprise		**C.D2** Evaluate the suitability and sufficiency of an enterprise strategy for establishing a viable enterprise in its chosen markets and opportunities and feasibility of scaling up the enterprise.
C.P6 Produce an enterprise strategy to establish the presence of an enterprise in its chosen markets. **C.P7** Explain how the subsidiary functional strategies support the enterprise strategy.	**C.M3** Assess the contribution of each subsidiary functional strategy to an enterprise strategy.	
Learning aim D: Review the feasibility of the enterprise strategy		**D.D3** Evaluate why the strategy will be successful in the short, medium and long term.
D.P8 Identify the capacities and resources required to establish an enterprise successfully in its chosen markets.	**D.M4** Assess the importance of reviewing the feasibility of the enterprise strategy.	

Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, B.P2, B.P3, B.P4, B.P5, A.M1, B.M2, AB.D1)

Learning aim: C (C.P6, C.P7, C.M3, C.D2)

Learning aim: D (D.P8, D.M4, D.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to information about their selected enterprise and its associated activities, particularly in respect of new and small enterprises. It is expected that learners in a cohort will individually select and research the strategies of new and developing enterprises.

Essential information for assessment decisions

Learning aims A and B

For Distinction standard, learners will evaluate the extent to which the environment might affect their selected enterprise. This will involve assessing the effects of the operating environments and making judgements about the factors that are likely to affect the enterprise, as well as identifying their financial and non-financial significance. The report needs to be logically and coherently structured, use appropriate business terminology accurately and be clearly and fluently expressed so it can be understood by the target audience.

For Merit standard, learners will use analytical skills to assess the effects of the internal, external and competitive environment on an enterprise for which they have produced a vision, mission and objectives. They must identify relevant information, via market research, about the business environment and consider how it might affect the success of the enterprise. The report needs to be logically structured, use appropriate business terminology accurately and be clearly expressed so it can be understood by the target audience.

For Pass standard, learners will investigate possible ideas for an enterprise, producing a vision and mission to provide a basis for formulating enterprise objectives. The enterprise can either be just an idea that is felt to be viable or it can be an existing enterprise that might be scaled up. Learners will discuss the internal, external and competitive environment facing the enterprise using suitable situational analysis techniques. The report needs to be structured, use business terminology accurately and be expressed so it can be understood by the target audience.

Learning aim C

For Distinction standard, learners will evaluate an enterprise strategy and its feasibility to scale up the enterprise. Once an enterprise strategy has been formulated, judgements need to be made about its suitability and sufficiency for establishing a viable enterprise in the chosen markets. Learners need to consider and evaluate factors such as how subsidiary strategies support, align with and integrate to provide a coherent overall enterprise strategy and how capacity and resource sufficiency will be ensured so that operations can be scaled up efficiently without harming the enterprise's competitive advantage.

The presentation and supporting information need to be logically and coherently structured, use appropriate business terminology accurately and be clearly and fluently expressed so it can be readily understood by the target audience.

For Merit standard, learners will assess the importance of identifying and developing chosen markets for the success of their selected enterprise, based on an identification of opportunities and approaches to marketing. Once an enterprise strategy has been produced, learners will analyse the contribution and fit of each subsidiary functional strategy into the overarching enterprise strategy. Having identified the capacities and resources required to establish an enterprise, learners will assess the importance of acquiring and developing the capacities and resources required to scale up enterprise operations effectively. The presentation and supporting information need to be logically structured, use appropriate business terminology accurately and be clearly expressed so as to be understood by the target audience.

For Pass standard, learners will explain the market opportunities for an enterprise to sell its products and/or services successfully and explain how an enterprise will develop suitable marketing approaches. The enterprise strategy and the subsidiary functional strategies produced will be designed to establish a presence in the enterprise's chosen markets. Learners will identify the capacities and resources required to establish an enterprise successfully and explain how to acquire and develop any capacities needed.

The strategy must be reviewed to assess its suitability for establishing an enterprise and identifying any future courses of action. The presentation and supporting information need to be structured, use business terminology accurately and be expressed so it can be understood by the target audience.

Learning aim D

For Distinction standard, learners will evaluate the feasibility of the enterprise strategy. Learners should determine why the strategy will be successful in the short, medium and long term, identifying the timeframe and key milestones. The steps identified will be detailed and coherent.

For Merit standard, learners will assess the importance of reviewing the feasibility of the enterprise strategy. They will analyse the feasibility, benefits and risks associated with the enterprise. The assessment and analysis will be logical and realistic.

For Pass standard, learners will identify the capacities and resources required to establish an enterprise successfully in its chosen markets and review the enterprise strategy to assess its suitability for establishing an enterprise. They will explain how to acquire and develop the capacities and resources required to establish an enterprise successfully in its chosen markets. The capacities and resources identified will be logical and realistic. The plan will be logical in structure and suitable for establishing the enterprise and its future growth.

Links to other units

This unit links to:

- Unit 2: Research and Plan a Marketing Campaign
- Unit 3: Business Finance
- Unit 6: Principles of Management
- Unit 7: Business Decision Making
- Unit 33: Enterprise and Entrepreneurs
- Unit 34: Launch and Run an Enterprise
- Unit 35: Survival and Growth.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers and interview/discussion opportunities
- work experience
- opportunities to visit suitable enterprises
- support from local entrepreneurs as mentors
- enterprise materials as exemplars
- ideas and suggestions to contribute to unit assessment
- participation in panel assessment of presentations of plans and ideas.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop entrepreneurial and employability skills.

Unit 40: The English Legal System

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners will examine how the English legal system operates to resolve criminal and civil cases, and why businesses and individuals may require legal advice and representation.

Unit introduction

Most businesses, whether large or small, require legal advice at some point. This unit involves researching current criminal and civil issues and cases, investigating the people involved in the operation of the legal system, and examining the impact of decisions made in court cases on businesses and individuals.

In this unit, you will examine the characteristics of criminal and civil law in order to determine situations that may result in court actions or settlement by alternative means. You will investigate the different courts in England and Wales and examine how they arrive at decisions. You will research case law, Acts of Parliament and European Union (EU) laws. You will explore how different laws apply to everyone and how laws are used and applied to real-life cases.

This unit will give you an insight into the relevance and importance of law to the business sector. It will enable you to make an informed choice on the suitability of law as a specialism for study or employment.

Learning aims

In this unit you will:

A Examine the jurisdiction of the courts, and their alternatives, in contributing to case outcomes

B Investigate the role of the legal profession and lay people in contributing to case outcomes

C Explore sources of law relevant for providing legal advice.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Examine the jurisdiction of the courts, and their alternatives, in contributing to case outcomes	**A1** Meaning, purpose and terminology of the law **A2** The role and jurisdiction of criminal first instance and appeal courts **A3** The role and jurisdiction of civil first instance and appeal courts **A4** Alternative dispute resolution (ADR)	An individual presentation on the appropriate courts and personnel for settlement of cases, for given scenarios/case studies, and the practice and procedures used in both civil and criminal courts to come to a verdict or decision.
B Investigate the role of the legal profession and lay people in contributing to case outcomes	**B1** Different types of judges and their roles **B2** Different types of lawyers and their roles **B3** Participation of lay people and their roles	
C Explore sources of law relevant for providing legal advice	**C1** Judicial precedent **C2** How acts of Parliament are created and applied to cases **C3** Types of European legislation and their influence on domestic law	An individual presentation to demonstrate the legislative process, precedent and statutory interpretation rules. An individual report on how far the sources of law provide certainty for lawyers giving legal advice, and the impact of European Union (EU) law.

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Content

Learning aim A: Examine the jurisdiction of the courts, and their alternatives, in contributing to case outcomes

A1 Meaning, purpose and terminology of the law

- Rights and duties, law and morality, law and rules.
- Purpose of law, e.g. protection, upholding rights, maintaining order, delivering justice, evaluation of effectiveness of the legal system.
- Differences between criminal law and civil law, purpose, remedies, punishment, parties to an action, standard of proof in criminal and civil cases.
- Specific terminology used in civil and criminal cases, case names, current cases, having an impact on business.

A2 The role and jurisdiction of criminal first instance and appeal courts

- Types of offences, including summary, either way and indictable offences, verdicts and potential consequences.
- The role and function of the magistrates' court, Crown Court, Court of Appeal, Supreme Court and European Court of Justice.
- Magistrates' Court:
  - civil and criminal jurisdiction
  - summary trials
  - plea
  - either way cases
  - committal and youth court.
- Crown Court:
  - jurisdiction
  - first
  - second and third tier.
- Court of Appeal:
  - criminal division
  - permission to appeal.
- Supreme Court:
  - jurisdiction for civil and criminal cases
  - permission to appeal.

A3 The role and jurisdiction of civil first instance and appeal courts

- Types of civil issues, case allocation, liability and potential consequences.
- The role and function of the County Court, High Court, Court of Appeal, Supreme Court and Court of Justice of the European Union.
- County Court:
  - starting a claim
  - allocation to track
  - consequences of legal action.
- High Court:
  - allocation
  - divisions
  - Civil Procedure Rules.

- Court of Appeal:
  - civil division
  - permission to appeal.
- Supreme Court:
  - jurisdiction for civil cases
  - permission to appeal.
- The Court of Justice of the European Union:
  - the main court
  - the general court
  - civil service tribunal
  - judicial and supervisory role.
- Application and evaluation of roles and jurisdictions to case decisions, both civil and criminal.

A4 Alternative dispute resolution (ADR)

- Tribunals, arbitration, mediation, conciliation, negotiation.
- Comparison with each other and with civil courts; advantages, disadvantages.
- Issues, e.g. cost, time, privacy, appeals, formality, representation, accessibility, appropriateness.

Learning aim B: Investigate the role of the legal profession and lay people in contributing to case outcomes

B1 Different types of judges and their roles

- The judicial hierarchy.
- Appointment, selection, skills, training and roles.
- Ceasing to be a judge.
- Application and evaluation of roles and jurisdictions to case decisions, in civil and criminal courts and ADR.

B2 Different types of lawyers and their roles

- Solicitors and barristers:
  - work
  - roles
  - skills
  - differences
  - training and qualifications.
- Paralegals, roles.
- Application and evaluation of roles and jurisdictions to case decisions, in civil and criminal courts and ADR.

B3 Participation of lay people and their roles

- Juries:
  - selection
  - eligibility
  - role in criminal and civil cases.
- Magistrates:
  - selection
  - appointment
  - training and role.
- Evaluation of the roles, use, their place in the court system and in ADR.

Learning aim C: Explore sources of law relevant for providing legal advice

C1 Judicial precedent

- How it works, binding, persuasive, distinguishing, overruling, reversing.
- Advantages and disadvantages, evaluation and application.

C2 How Acts of Parliament are created and applied to cases

- The legislative process.
- Delegated legislation.
- Statutory interpretation, rules and aids to interpretation, evaluation and application.

C3 Types of European legislation and their influence on domestic law

- Types of European legislation, law-making in the European Union and impact on domestic law.
- Evaluation of influence and impact, and application.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Examine the jurisdiction of the courts, and their alternatives, in contributing to case outcomes		
A.P1 Using case examples, accurately apply and explain the jurisdiction of civil courts. **A.P2** Using case examples, accurately apply and explain the jurisdiction of criminal courts.	**A.M1** Compare and contrast the criminal and civil court hierarchies and appeal routes, demonstrating accurate use of legal terminology, case law citation and application, to both civil and criminal law situations.	**A.D1** Evaluate how dispute solving in the courts compares with methods of ADR.
Learning aim B: Investigate the role of the legal profession and lay people in contributing to case outcomes		
B.P3 Using case examples, accurately apply and explain the role in the civil courts and ADR of the legal profession and lay people. **B.P4** Using case examples, accurately apply and explain the role in the criminal courts of the legal profession and lay people.	**B.M2** Compare and contrast the role and function of lawyers and lay people in the English courts and ADR.	**B.D2** Evaluate the effectiveness of lay personnel in the English courts and ADR.
Learning aim C: Explore sources of law relevant for providing legal advice		
C.P5 Demonstrate how the legislative process would apply in given scenarios. **C.P6** Explain the rules of precedent and statutory interpretation through accurate application in given scenarios.	**C.M3** Analyse the impact European law has had on domestic law in given situations.	**C.D3** Evaluate how far the sources of law provide certainty for lawyers giving legal advice.

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Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, B.P4, A.M1, B.M2, A.D1, B.D2)

Learning aim: C (C.P5, C.P6, C.M3, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to law reports and statutes.

Essential information for assessment decisions

It is essential that learners do not copy large sections of information from textbooks or websites. Centres need to prepare a variety of detailed case studies or scenarios, which allow learners to use their own words and fully demonstrate their understanding and application of the law and its processes using problem-solving, decision-making, analytical and critical-thinking skills.

It is also essential that learners reference all sources correctly. If a presentation format is selected, a detailed observation sheet must be provided for each verbal presentation for each learner.

To have first-hand experience as a basis for their evaluation, it is desirable that learners attend and watch cases in different courts, and see the process and personnel in action. Court staff, local solicitors and barristers are often willing to speak to learners. If a presentation format is selected, a detailed observation sheet must be provided for each verbal presentation for each learner.

Learning aims A and B

For Distinction standard, learners will support their advice and judgements on jurisdictions, appeals ADR, personnel and roles with a comprehensive discussion and evaluation. Learners must include individual and original examples to demonstrate clear understanding and justification of their arguments and conclusion. Advice will be detailed, professional and presented appropriately.

For Merit standard, learners will demonstrate a clear understanding of the courts, appeals, ADR and personnel. Their advice, communication and application will be professional, showing understanding and appropriate application, accurately covering both first instance and appellate situations and personnel. They will demonstrate good analytical skills covering all roles, actions and outcomes.

For Pass standard, learners will demonstrate in their submission that their work is professional and appropriate, showing basic but clear understanding and application of where cases are dealt with at first instance, although some of the finer points of appellate jurisdictions may not be fully evidenced. They will show clear understanding and application relating to personnel and their roles. If making a verbal presentation, learners will be prepared to answer audience questions, and show a firm grasp and understanding of the information presented.

Learning aim C

For Distinction standard, learners will provide an evaluation based on the application of precedent and statutory interpretation to case study. The work will be professional and show clear application, explanation and understanding. The supporting materials must be comprehensive, including clear examples of binding, persuasive, distinguishing, reversing and overruling precedents, together with some basic understanding and application of statutory interpretation rules.

For Merit standard, learners will demonstrate individual analysis of the impact EU laws have on domestic laws. They will demonstrate good analytical skills, providing and applying examples for all aspects of the criterion.

For Pass standard, learners will plan and draft a suitable idea for a new statute. The learner must be sufficiently informed about the need for change in the law and they will also demonstrate understanding and application of delegated legislation.

Links to other units

This unit links to:

- Unit 41: UK Employment Law
- Unit 42: Aspects of UK Civil Liability Affecting Business
- Unit 43: Aspects of UK Criminal Law Impacting on Business and Individuals.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- participation in audience assessment of presentations
- design/ideas to contribute to unit assignment/case study/project materials
- work experience
- business materials as exemplars
- support from local business staff as mentors.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop reporting and presentation skills.

Unit 41: UK Employment Law

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners explore how a business meets legal obligations relating to employment rights. They will consider processes associated with solving employment disputes.

Unit introduction

It is essential that all employees understand their employment rights and duties. This unit considers the important legal rights, duties, documents and remedies available under law in the United Kingdom (UK).

In this unit, you will gain an understanding of important employment documents, the rights and duties of both employees and employers, and the effect of non-compliance with the law. You will explore the process of resolving work-related disputes, make judgements on tribunal decisions and explore the support available from other organisations.

By investigating employment law, you will have a good foundation for employment. Undertaking research and discussion on employment issues with other people will give you an understanding of the process of law. You will also develop communication skills through discussion and presentations. Employment law is a specialist area and can help you develop a career in human resources and management.

Learning aims

In this unit you will:

A Examine employment rights and how those rights impact on a business and its employees

B Investigate the importance of equality within the workplace and the influence of support organisations

C Explore the legal approaches used to resolve employment work-based issues.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Examine employment rights and how those rights impact on a business and its employees	**A1** Basic employment rights available to all employees **A2** Contracts of employment and other documentation	A guide for a new employee on rights, duties and documents. A presentation applying the basic laws relating to employment and equality and the effect on a given business of non-compliance. A briefing sheet on relevant support organisations. A fully-justified report, or brief, giving advice on the impact of compliance and non-compliance with employment and equality rights in the workplace on the employer and employee, including a discussion on these rights and support available.
B Investigate the importance of equality within the workplace and the influence of support organisations	**B1** Ensuring equality in employment **B2** Organisations who can support the rights of the employer and employee	
C Explore the legal approaches used to resolve employment work-based issues	**C1** Grounds for the termination of employment **C2** Formal and informal methods of resolving problems in the workplace	A presentation applying the basic laws relating to termination of employment, using case studies. A briefing sheet giving advice in problem work scenarios. A fully-justified report, or brief, giving advice on the impact and effectiveness of formal and informal grievance and disciplinary procedures on employees and businesses.

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Content

Learning aim A: Examine employment rights and how those rights impact on a business and its employees

A1 Basic employment rights available to all employees

- Pay, national minimum wage, illegal deductions, timing of payment.
- Holiday entitlement: full- and part-time employees.
- Family:
  - maternity and paternity leave
  - unpaid parental leave.
- Workplace, e.g. rights associated with flexible working, time off for trade union duties, access to a trade union representative in the event of a grievance, weekly and daily rest breaks, not to be harassed or discriminated against, 'whistle blowing', rights to study and training if aged 16-17.
- Duties of employer:
  - provide work
  - pay
  - health and safety compliance.
- Duties of employee:
  - obey reasonable instructions/orders
  - not to steal
  - comply with health and safety requirements.
- Evaluation, application of case law and statutes.

A2 Contracts of employment and other documentation

- Types of contract:
  - full-time
  - part-time
  - temporary
  - fixed
  - trainee
  - zero hours
  - flexible.
- Formation of a contract:
  - offer
  - acceptance
  - consideration
  - intent.
- Express and implied terms, terms incorporated through custom and practice.
- Commencement of a contract.
- Determining if the employee is employed or self-employed.
- Changes to a contract.
- Rules relating to issuing of the written statement, e.g. where it can be found if not a single document, timescales for issuing to a new employee, what to do if a written statement is not received.

- Contents of the written statement of employment particulars, e.g. business name, employee's name, job title and/or job description, start date, if a previous job counts towards service, how much and when the employee will be paid, hours of work and the days/times that work will be undertaken, details relating to overtime, holiday entitlements, location of work.
- Other contents, e.g. length of temporary employment, end date of fixed contract, notice periods, collective agreements, pension details, processes for dealing with a grievance, how to complain.
- Access to information or policies on sick pay, disciplinary, grievance and dismissal procedures.
- Content of a contract of employment, reasons for having a contract of employment versus statement of particulars.
- Evaluation, application of case law and statutes.

Learning aim B: Investigate the importance of equality within the workplace and the influence of support organisations

B1 Ensuring equality in employment

- Protected characteristics, definition and description (Equality legislation), e.g. age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation – need for employee training to avoid work-based problems.
- Prohibited conduct, e.g. direct and indirect discrimination, violence, bullying, theft, illegal use of electronic communication, harassment, verbal and physical abuse, practices relevant to the specific business.
- Evaluation, application of case law and statutes.

B2 Organisations who can support the rights of the employer and employee

- The Advisory, Conciliation and Arbitration Service (ACAS).
- Trade unions.
- Health and Safety Executive (HSE).
- Citizens Advice.
- Equality Advisory and Support Service (EASS).
- Law centres.
- Tribunal service and Employment Appeal Tribunal (EAT) database.
- European Court of Human Rights.
- Confederation of British Industry (CBI).

Learning aim C: Explore the legal approaches used to resolve employment work-based issues

C1 Grounds for the termination of employment

- An employee can leave their place of work for a variety of reasons:
  - resignation
  - capability
  - conduct
  - redundancy
  - where the employee cannot continue in their post because this would break the law
  - some other substantial reason that justifies dismissal of the employee from the job they do
  - wrongful, unfair or constructive dismissal
  - evaluation
  - application of case law and statutes.

C2 Formal and informal methods of resolving problems in the workplace

- Grievance and disciplinary procedures are used to ensure that the process of complaint is fair and transparent for both sides. Where appropriate, there should be an accurate written record.
- Reference to the contract of employment.
- Deciding if the problem constitutes a formal or informal work-based problem, disciplinary meetings, use of mediation.
- Use of and reference to the business's grievance and disciplinary policy, procedures, investigation, use of representatives, formal and informal meetings, decision and further action, written record, use of verbal and written warning.
- Role of ACAS.
- Tribunals: procedures, using the decisions of the Employment Appeal Tribunal.
- Compensation for redundancy, calculation.
- Ensuring the employee is not unfairly dismissed.
- Collective disputes and their resolution.
- Evaluation.
- Application of case law and statutes.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Examine employment rights and how those rights impact on a business and its employees		
A.P1 Explain, using case scenarios, what the written statement of employment particulars and the contract of employment must include to comply with the law. **A.P2** Provide advice to a business on the effects of non-compliance with the written statement of employment particulars.	**A.M1** Analyse the impact of employment rights on employees, applying appropriate current law.	**A.D1** Evaluate the impact that employment rights in the workplace have had on businesses, using decided cases and recent statutes to justify conclusions.
Learning aim B: Investigate the importance of equality within the workplace and the influence of support organisations		
B.P3 Explain, using case scenarios, how compliance with equality issues can help employers and employees. **B.P4** Discuss how relevant organisations can support the rights of employers and employees.	**B.M2** Analyse the support available from relevant organisations to employees to ensure equality in the workplace.	**B.D2** Evaluate the impact that support from organisations has had in ensuring businesses comply with equality legislation in the workplace.
Learning aim C: Explore the legal approaches used to resolve employment work-based issues		
C.P5 Present client advice, explaining the ways employment can be terminated. **C.P6** Present client advice, explaining how formal and informal problems in the workplace can be resolved.	**C.M3** Analyse how formal and informal grievance and disciplinary procedures can be used to determine the potential outcome of work-based problems. **C.M4** Discuss the likely consequences if a problem cannot be resolved in the workplace.	**C.D3** Evaluate the impact and effectiveness of formal, and informal, grievance and disciplinary procedures on employees and businesses, using appropriate illustrations to substantiate a conclusion.

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Essential information for assignments

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The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, B.P4, A.M1, B.M2, A.D1, B.D2)

Learning aim: C (C.P5, C.P6, C.M3, C.M4, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to law reports and statutes.

Essential information for assessment decisions

Learning aims A and B

For Distinction standard, learners will support their evaluations of the impact on both employers and employees with individual and original statements and examples. They will demonstrate a comprehensive use and application of relevant precedent and statutes to justify their arguments and conclusion. The application of the law to the scenarios must include the relevant decided cases and statutes to support the advice given.

The briefing sheet on support organisations must be professional, business-like and suitable for presentation by a lawyer/adviser to clients. If a presentation is made, learners must be prepared to answer audience questions on their presentation and show a firm grasp and understanding of the information presented, at all levels. A detailed observation statement will be provided for each learner.

For Merit standard, learners will demonstrate a considered and comprehensive understanding of all areas of law covered by the assignment and assessment criteria. They will demonstrate good analytical skills which fully cover all possible decisions and outcomes from the scenarios or case studies. The application of the law to the scenarios must include application and analysis, using relevant decided cases and statutes to provide comprehensive and appropriate advice.

For Pass standard, learners will show their understanding of employment rights and documents. The scenarios or case studies must be drafted so that learners demonstrate problem-solving, decision-making and analytical skills. An explanation of each of the elements will be clear and detailed and written in the learner's own words to convey a clear understanding of laws relating to employment and equality rights.

Learning aim C

For Distinction standard, learners will provide a professional report that supports their evaluations with individual and original statements and examples. They will demonstrate a comprehensive use and application of relevant precedent and statutes to justify their arguments and conclusion. The scenarios must be drafted so that they require learners to demonstrate problem-solving, decision-making and analytical skills. An explanation of each criterion will be clear, detailed and professional, and presented in the learner's own words to indicate a clear understanding. The application of the law to the scenarios, or case studies, will include all relevant decided cases and statutes to support the advice given. Learners will have shown individuality and independence in their presented assessment evidence.

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For Merit standard, learners will demonstrate their own individual analysis of grievance and disciplinary procedures, with evidence of a considered and comprehensive understanding of this area of law. They will demonstrate good analytical skills which fully cover all possible decisions and outcomes from the scenarios. The application of the law to the scenarios will include relevant decided cases and statutes to provide detailed advice. The briefing sheet and report must be professional, business-like and suitable for presentation by a lawyer/adviser to clients.

For Pass standard, learners will use a presentation and briefing sheet to demonstrate a clear understanding, explanation and application of the law as it relates to termination of employment and to formal and informal work-based problems as detailed in the case studies/scenarios.

Links to other units

This unit links to:

- Unit 40: The English Legal System
- Unit 42: Aspects of UK Civil Liability Affecting Business
- Unit 43: Aspects of UK Criminal Law Impacting on Business and Individuals.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- participation in audience assessment of presentations
- design/ideas to contribute to unit assignment/case study/project materials
- work experience
- business materials as exemplars
- support from local business staff as mentors.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop communication and presentation skills.

Unit 42: Aspects of UK Civil Liability Affecting Business

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners explore the relationship that businesses have with consumers and employees, and consider the UK civil legal obligations placed on them and how they are required to respond by law.

Unit introduction

In order for a business to survive successfully, it needs to retain a good reputation, operate in a safe manner, and be a safe place for employees, customers and visitors. If not, liability may result in a claim against the business or its employees in the law of tort. Businesses make numerous contracts on a daily basis, and case law and statutes establish the resulting legal rights and duties.

In this unit, you will explore how, within the United Kingdom (UK) law of tort, claims for negligence can arise and affect both businesses and individuals. For example, injuries or damage sustained on business premises could be the fault of the business or the employee. You will also examine contract and consumer situations, covered by both case law and statute, and have the opportunity to apply the law to various scenarios and give advice.

On a daily basis, civil liability issues can affect all individuals, and every business, in a variety of ways. This unit gives you the opportunity to develop problem-solving, decision-making, analytical and critical-thinking skills by applying relevant laws to case study scenarios. Studying civil law, in the context of its relationship to business, will allow you to make an informed choice on the suitability of law as a specialism for your employment, training or studies.

Learning aims

In this unit you will:

A Examine the elements of negligence in order to establish liability

B Examine the elements of vicarious and occupiers' liability in order to establish liability

C Explore the responsibilities that a business has for the products and services it provides.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Examine the elements of negligence in order to establish liability	**A1** Elements of the tort of negligence **A2** Remedies in the event of liability	One or more of: A presentation applying the principles of negligence in given case scenarios to conclude on liability. Also to include the potential amounts of damages, both pecuniary and non-pecuniary. A briefing sheet for a new business on rights and duties in vicarious liability and occupiers' liability. A fully-justified report, or brief, giving advice on the impact of negligence in given situations, for both businesses and individuals.
B Examine the elements of vicarious and occupiers' liability in order to establish liability	**B1** Vicarious liability **B2** Independent contractors **B3** Occupiers' liability	
C Explore the responsibilities that a business has for the products and services it provides	**C1** Formation of contracts **C2** Sale of goods and supply of goods **C3** Consumer protection and the safety of products	Presentation advising on liability in contract, sale and supply of goods scenarios. Leaflet on consumer protection issues. Leaflet on advisory bodies. A fully-justified report, or brief, on the effectiveness of the law in protecting consumers from faulty products, contract formation, or sale and supply of goods disputes.

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Content

Learning aim A: Examine the elements of negligence in order to establish liability

A1 Elements of the tort of negligence

- Definition of tort.
- Duty of care, e.g. neighbour test, Caparo test.
- Breach: objective test.
- Factors relevant to a breach:
  - magnitude
  - 'thin skull' rule
  - cost of precautions
  - common practice
  - role of professionals
  - inexperienced practitioners.
- Causation:
  - 'but for' test
  - remoteness of damage
  - foreseeability
  - relevance of an intervening act.
- Evaluation, relevant up-to-date case law.

A2 Remedies in the event of liability

- Damages, types:
  - pecuniary
  - non-pecuniary
  - contributory negligence
  - 'no win no fee'
  - calculation.

Learning aim B: Examine the elements of vicarious and occupiers' liability in order to establish liability

B1 Vicarious liability

- Definition, employer controls employee, employer has insurance/financial means to compensate injured party, deterrent to poor behaviour at work.
- Testing the employment status, is there a contract of employment?
- Was the tort committed during the course of employment, was it authorised/ unauthorised/a prohibited act, is the employer liable for theft or other criminal act of the employee?
- Not liable, frolic, acting outside the course of employment.
- Defences, contributory negligence, consent.
- Remedies.
- Evaluation and relevant up-to-date case law.

B2 Independent contractors

- Business not normally liable for the acts of a sub-contractor, but there are exceptions.
- Definition of an independent contractor.
- Employer may still be liable if there is failure to ensure compliance with duty of care.

B3 Occupiers' liability

- Liability to visitors, Occupiers' Liability Act 1957.
- Liability to trespassers, Occupiers' Liability Act 1984.

Learning aim C: Explore the responsibilities that a business has for the products and services it provides

C1 Formation of contracts

- Offer:
  - contrast with invitation to treat
  - termination of offer
  - communication of offer and revocation.
- Acceptance:
  - verbal
  - post
  - electronic commerce regulations
  - distance selling regulations
  - communication.
- Intention to create legal relations.
- Consideration generally, Contracts (Rights of Third Parties) Act 1999.
- Evaluation and relevant up-to-date case law.

C2 Sale of goods and supply of goods

- Contract terms:
  - express
  - implied by statute and common law
  - conditions
  - warranties.
- Terms implied by the Sale of Goods Act (SOGA) 1979 as amended by Consumer Rights Act 2015:
  - seller owns the goods and has the right to sell
  - satisfactory quality and fit for purpose
  - goods as described.
- Terms implied by the Supply of Goods and Services Act (SGASA) 1982 as amended by Consumer Rights Act 2015:
  - reasonable care and skill
  - reasonable time
  - reasonable cost.
- Remedies under SOGA as amended by Consumer Rights Act 2015:
  - repair
  - replace
  - refund.

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- Remedies under SGASA as amended by Consumer Rights Act 2015:
  - rejection
  - specific performance
  - damages for non-delivery or breach of warranty
  - payment for part performance.
- Other remedies, use of small claims court.
- Exclusion clauses:
  - validity
  - Unfair Contract Terms regulations and legislation.
- Role of advisory bodies when making a complaint, e.g. Citizens Advice consumer service, Trading Standards, The Consumers Association (Which?), the Office of Fair Trading (OFT), ombudsman.
- Evaluation and relevant up-to-date case law.

C3 Consumer protection and the safety of products

- The Consumer Safety Act 1987 defines 'defects', the use of strict liability, what is meant by damage and remedies available.
- Consumer Protection Act 1987:
  - defining a product
  - defect and producer
  - use of strict liability for resultant damage.
- Breach of implied terms under the Sale of Goods Act 1979 ss. 12–15, negligence as amended by Consumer Rights Act 2015.
- Identification of defect, design, manufacture, information about the product.
- Causation, balance of probabilities.
- Defining damage:
  - death
  - injury
  - loss or damage to property.
- Defences:
  - product complies with EU regulations
  - product not supplied by business or not in the course of business
  - not possible to discover the problem
  - problem did not exist when the product was supplied
  - scientific or technical knowledge could not have foreseen the product problem.
- Remedies.
- Evaluation.

Assessment criteria

<table>
<tr><th>Pass</th><th>Merit</th><th>Distinction</th></tr>
<tr><td colspan="2">Learning aim A: Examine the elements of negligence in order to establish liability</td><td rowspan="2">A.D1 Evaluate the impact that negligence liability issues and their consequent remedies have on businesses and individuals in given scenarios, applying appropriate and relevant legal precedents to justify conclusions.</td></tr>
<tr><td>A.P1 Explain the key elements of negligence necessary to establish liability, and apply this to case scenarios.
A.P2 Discuss appropriate remedies available for liability in negligence, and apply this to case scenarios.</td><td>A.M1 Analyse negligence liability issues and potential outcomes for individuals and businesses in given scenarios, applying appropriate and relevant legal precedents.</td></tr>
<tr><td colspan="2">Learning aim B: Examine the elements of vicarious and occupiers' liability in order to establish liability</td><td rowspan="2">B.D2 Evaluate the impact that the current law of vicarious and occupiers' liability has on businesses, applying appropriate and relevant legal precedents to justify conclusions.</td></tr>
<tr><td>B.P3 Explain the responsibilities that a business has for the negligent acts of an employee, and apply this to case scenarios.
B.P4 Discuss the responsibilities that an occupier has for injuries or damage caused on property, and apply this to case scenarios.</td><td>B.M2 Analyse the benefits of being a visitor or an employee, rather than a trespasser or independent contractor, in the event of a legal dispute.</td></tr>
<tr><td colspan="2">Learning aim C: Explore the responsibilities that a business has for the products and services it provides</td><td rowspan="2">C.D3 Evaluate the effectiveness of the law in protecting consumers from faulty products and disputes relating to contract formation and sale and supply of goods, applying appropriate legal precedents and recent statutes to justify a conclusion.</td></tr>
<tr><td>C.P5 Present client advice, explaining how the law imposes contractual responsibility, both by case law and by statute, using case scenarios.
C.P6 Explain how the key areas of consumer law can contribute to the effective production of goods and services.</td><td>C.M3 Analyse the impact of consumer law on businesses, applying relevant case and statute law.
C.M4 Discuss how advisory bodies can assist consumers with their complaints relating to contracts, products or services supplied by a business.</td></tr>
</table>

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Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, B.P4, A.M1, B.M2, A.D1, B.D2)

Learning aim: C (C.P5, C.P6, C.M3, C.M4, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to law reports and statutes.

Essential information for assessment decisions

It is essential that learners do not copy large sections of information from textbooks or websites. Centres need to prepare a variety of detailed case studies, or scenarios, that allow learners to use their own words and fully demonstrate their understanding and application of the law and its processes using problem-solving, decision-making, analytical and critical-thinking skills.

The scenarios must be sufficiently detailed and complex to enable learners to demonstrate their understanding of each, at the appropriate level. Learners should use decided cases and statutes to justify their advice.

Advice could be given either in written format or in a presentation supported by slides, notes, questions and individual observation record.

It is also essential that learners reference all sources correctly, and give advice where required, in a professional format.

Learning aims A and B

For Distinction standard, learners will support their evaluations of the impact on both businesses and individuals, with individual and original statements, examples, and comprehensive use and application of relevant precedent and statutes to demonstrate and justify their arguments and conclusion.

Learners' explanations of each of the elements must be clear and detailed and written in their own words to demonstrate clear understanding. The application of the law to the scenarios must include all relevant decided cases and statutes to support the advice given.

The report/presentation and briefing sheet will be professional, business-like and suitable for presentation by a lawyer/adviser to clients. If a presentation is made, learners must be prepared to answer audience questions on their presentation and show a firm grasp and understanding of the information presented, at all levels. A detailed observation statement will be provided for each learner.

For Merit standard, learners will demonstrate a considered and comprehensive understanding of all areas of law covered by the assignment and assessment criteria. They will demonstrate good analytical skills which fully cover all possible decisions and outcomes from the scenarios. The application of the law to the scenarios should include application and analysis, using relevant decided cases and statutes to provide comprehensive and appropriate advice.

For Pass standard, learners will show their understanding of the elements of negligence required for liability and relevant case law, together with remedies, vicarious and occupiers' liability, and apply these to the case studies/scenarios. The scenarios must be drafted in such a way that they require learners to demonstrate problem-solving, decision-making and analytical skills.

Learning aim C

For Distinction standard, learners will support their evaluations of the effectiveness of the law in protecting consumers from faulty products and disputes relating to contract formation and sale and supply of goods, with individual and original statements and examples. Learners will demonstrate a comprehensive use and application of relevant precedent and statutes to justify their arguments and conclusion. The scenarios must be drafted so that they require learners to demonstrate problem-solving, decision-making and analytical skills, and be complex enough to cover formation of contract, sale of goods implied terms situations, supply of goods and services situations, exclusion clauses, unfair terms and remedies. Learners' explanations of each of the elements will be clear and detailed and written in their own words to demonstrate a clear understanding.

The application of the law to the scenarios must include all relevant decided cases and statutes to support the advice given. Learners will show individuality and independence in their presented assessment evidence.

For Merit standard, learners will demonstrate individual analysis of the impact of consumer law for businesses by demonstrating a considered and comprehensive understanding of this area of law. They will demonstrate good analytical skills which fully cover possible decisions and outcomes from the scenarios. The application of the law to the scenarios must include relevant decided cases and statutes to provide detailed advice. The leaflet on advisory bodies will be professional, business-like and suitable for presentation by a lawyer/adviser to clients.

For Pass standard, learners will demonstrate clear understanding, explanation and application of the law relating to contract, sale and supply of goods and apply these to the case studies/scenarios.

Links to other units

This unit links to:

- Unit 40: The English Legal System
- Unit 41: UK Employment Law
- Unit 43: Aspects of UK Criminal Law Impacting on Business and Individuals.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- participation in audience assessment of presentations
- design/ideas to contribute to unit assignment/case study/project materials
- work experience
- business materials as exemplars
- support from local business staff as mentors.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop analytical and critical-thinking skills.

Unit 43: Aspects of UK Criminal Law Impacting on Business and Individuals

Level: **3**
Unit type: **Internal**
Guided learning hours: **60**

Unit in brief

Learners examine crimes relating to people and property and the impact that crime has on both business and individuals. Learners will also consider strategies to improve security.

Unit introduction

Local, national and international news articles constantly show how businesses and individuals can be affected by crime as victims, offenders or witnesses. Security of resources is crucial for the success of business, as 'prevention is better than cure'.

In this unit, you will examine crimes relating to people and property. You will consider the extent and impact of these crimes on businesses and individuals, including criminal statistics, current criminal cases and consequences of crime. You will plan the security of people, property and information for a local business by looking at policies, procedures, training and specific security measures, including new technologies. You will examine the role and impact of a range of enforcement agencies whose aim is to protect business organisations. In the United Kingdom (UK), these agencies may include the police, health and safety officers, Trading Standards, environmental health officers, Border Force and the Serious Fraud Office. In this part of the unit you will consider work skills and potential career plans.

Criminal law applies to everyone and every business, and keeping up to date with the law and changes in the law is important. In this unit you will develop problem-solving, decision-making, analytical and critical-thinking skills. Studying criminal law in the context of its relationship to business will allow you to make an informed choice on the suitability of law as a specialism for your employment, training or studies.

Learning aims

In this unit you will:

A Examine the elements of crimes against people in order to establish liability

B Examine the elements of crimes against property in order to establish liability

C Explore strategies for crime prevention and the roles of enforcement agencies in protecting businesses.

Summary of unit

Learning aim	Key content areas	Assessment approach
A Examine the elements of crimes against people in order to establish liability	**A1** Elements of crime **A2** Corporate manslaughter **A3** Non-fatal offences	Learners give advice on case studies/scenarios involving business problems relating to offences committed either against, or by, the business.
B Examine the elements of crimes against property in order to establish liability	**B1** The elements of offences under the Theft Acts **B2** The elements of offences under the UK Fraud Act **B3** The elements of criminal damage offences	
C Explore strategies for crime prevention and the roles of enforcement agencies in protecting businesses	**C1** Strategies to prevent crime for businesses **C2** The role and powers of specific enforcement agencies	A report on the security plan of a local business that includes the help and advice which could be available/provided by enforcement agencies. An individual written report, evaluating how effective the law is in protecting businesses and the people connected to business.

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Content

Learning aim A: Examine the elements of crimes against people in order to establish liability

A1 Elements of crime

- Common law and statutory offences.
- Summary, either way and indictable offences.
- Actus Reus (wrongful act):
  - positive and voluntary actions
  - omissions
  - state of affairs.
- Legal and factual causation.
- Mens Rea (guilty mind):
  - intention
  - recklessness
  - negligence
  - dishonesty.
- Aggravating and mitigating factors.
- Defences relating to property offences and offences against the person.
- Strict liability and types of offences.
- Evaluation of these elements and offences.

A2 Corporate manslaughter

- Involuntary manslaughter, e.g. gross negligence, duty, breach, death and behaviour such as to be classed criminal.
- Defendant is a qualifying organisation, causation, relevant duty of care and gross breach as a result of serious management failure, investigation, prosecution, exemptions, sanctions under corporate manslaughter and corporate homicide legislation.
- Recent case law examples relating to charges of corporate manslaughter to assess how such situations could be prevented.
- Evaluation of these principles.

A3 Non-fatal offences

- Non-fatal offences: common assault and what has to be proved to establish liability.
- Offences from Offences Against the Person Act 1861:
  - ABH (actual bodily harm)
  - GBH (grievous bodily harm)
  - malicious wounding
  - what has to be proved to establish liability.
- Recent case law examples relating to charges of offences against the person committed in the workplace, to assess how such situations could be prevented.
- Evaluation of these offences, principles and cases.

Learning aim B: Examine the elements of crimes against property in order to establish liability

B1 The elements of offences under the Theft Acts

- Theft Acts 1968 and 1996, relevant case law.
- The elements of theft:
  - dishonesty
  - appropriation
  - property
  - belonging to another
  - intention to permanently deprive the rightful owner.
- Examine a range of offences which may include making off without payment, burglary, robbery, handling stolen goods, taking a conveyance, and establish what has to be proved to establish criminal liability.
- Evaluation of these offences, principles and cases.

B2 The elements of offences under the UK Fraud Act

- Deception offences under Fraud Act legislation:
  - false representation
  - failing to disclose information
  - abuse of position
  - obtaining goods or services dishonestly.
- Recent case law examples relating to charges of offences against property committed in the workplace to assess how such situations could be prevented.
- Evaluation of these offences, principles and cases.

B3 The elements of criminal damage offences

- Criminal damage and aggravated criminal damage, arson and aggravated arson, relevant statute and case law.
- The elements which have to be proved to establish liability for criminal damage offences.
- Evaluation of these offences, principles and cases.

Learning aim C: Explore strategies for crime prevention and the roles of enforcement agencies in protecting businesses

C1 Strategies to prevent crime for businesses

- Extent of crime and how to interpret criminal statistics.
- Typical crimes against businesses, including shoplifting, theft by employees and supplier fraud.
- Workplace security surveys and risk assessments: purpose and benefits.
- Workplace policies, procedures and training for crime prevention.
- Onion peeling process:
  - target hardening
  - target removal
  - remove means to commit crime
  - reduce the pay off
  - access control, visibility and surveillance
  - environmental design

- rule setting
- increase the chance of being caught
- deflecting offenders.

· Security measures which are up to date, appropriate, realistic and cost effective, including new technologies.

C2 The role and powers of specific enforcement agencies

· The role and powers of the police, Border Force, Trading Standards, environmental health, health and safety officers and the Serious Fraud Office.

· Search and seizure of property, arrest, charge and consequences for offenders.

· Positive impact of the agencies in protecting businesses and negative impact should a business breach any laws enforced by the agencies.

· Recent case law examples relating to the enforcement agencies to assess how such situations could be prevented.

Assessment criteria

Pass	Merit	Distinction
Learning aim A: Examine the elements of crimes against people in order to establish liability		
A.P1 Explain the elements of crime necessary to establish liability for corporate manslaughter, and apply in given scenarios. **A.P2** Explain the elements of crime necessary to establish liability for non-fatal offences against the person, and apply in given scenarios.	**A.M1** Analyse corporate manslaughter liability issues for individuals and businesses in given scenarios, applying appropriate and relevant decided cases and current statute law. **A.M2** Analyse liability issues in non-fatal offence scenarios, applying appropriate and relevant decided cases and current statute law.	**A.D1** Evaluate the impact that crimes of fatal and non-fatal offences against the person may have on both businesses and individuals, using decided cases and recent statutes to illustrate a conclusion.
Learning aim B: Examine the elements of crimes against property in order to establish liability		
B.P3 Explain the elements of crime necessary to establish liability for crimes of theft and fraud, and apply in given scenarios. **B.P4** Explain the elements of crime necessary to establish liability for crimes relating to criminal damage, and apply in given scenarios.	**B.M3** Analyse liability issues for theft, fraud and criminal damage scenarios, applying appropriate and relevant decided case law examples and current statute law.	**B.D2** Evaluate the impact that crime against property may have on businesses, using decided cases to illustrate a conclusion.
Learning aim C: Explore strategies for crime prevention and the roles of enforcement agencies in protecting businesses		
C.P5 Present client advice, explaining why a specific local business will need a strategy for crime prevention. **C.P6** Present client advice, explaining the role and benefits of enforcement agencies in protecting businesses.	**C.M4** Discuss an appropriate security plan for crime prevention for a specific local business, including the support available from relevant enforcement agencies.	**C.D3** Evaluate how effective the law is in preventing crime and protecting businesses and their resources, giving a justified conclusion.

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Essential information for assignments

The recommended structure of assessment is shown in the unit summary, along with suitable forms of evidence. *Section 6 Internal assessment* gives information on setting assignments and there is also further information on our website.

There is a maximum number of two summative assignments for this unit.
The relationship of the learning aims and criteria is:

Learning aims: A and B (A.P1, A.P2, B.P3, B.P4, A.M1, A.M2, B.M3, A.D1, B.D2)

Learning aim: C (C.P5, C.P6, C.M4, C.D3)

Further information for teachers and assessors

Resource requirements

For this unit, learners must have access to law reports and statutes.

Essential information for assessment decisions

Learning aims A and B

It is essential that learners do not copy large sections of information from textbooks or websites. Centres need to prepare a variety of detailed case studies, or scenarios, which allow learners to use their own words and fully demonstrate their understanding and application of the law and its processes, using problem-solving, decision-making, analytical and critical-thinking skills.

The scenarios will cover all five areas of crime, and the elements covered in learning aims A and B. Advice could be given either in written format or in a presentation supported by slides, notes, questions and individual observation record.

It is also essential that learners reference all sources correctly, and give advice where required, in a professional format.

For Distinction standard, learners will support their evaluations of the impact of criminal law on both businesses and individuals with original statements and examples. Learners should demonstrate a comprehensive use of relevant precedent and statutes to justify their arguments and conclusion. The scenarios will be drafted so that they require learners to demonstrate problem-solving, decision-making and analytical skills. Learners' explanations of each of the offence categories must be clear and detailed and written in their own words to demonstrate a clear understanding. The application of the law to the scenarios must include all relevant decided cases and statutes to support the advice given.

For Merit standard, learners will demonstrate a considered and comprehensive understanding of all areas of law covered by the assignment and assessment criteria. They will demonstrate good analytical skills which fully cover all possible decisions and outcomes from the scenarios. The application of the law to the scenarios must include some relevant decided cases and statutes to provide comprehensive and appropriate advice.

For Pass standard, learners will show clear understanding of corporate manslaughter, non-fatal offences, offences against property and criminal damage, as required by the assignment and assessment criteria. They will demonstrate some analytical skills to cover possible decisions and outcomes from the scenarios. The application of the law to the scenarios must include some decided cases and statutes to provide comprehensive and appropriate advice.

Learning aim C

For Distinction standard, learners will support their evaluations of the effectiveness of the law in protecting businesses, and the people connected to businesses, with individual statements and examples. Learners should demonstrate a comprehensive use and application of relevant precedent and statutes to justify their arguments and conclusion.

Learners will include client advice which must explain in detail both the role and benefits of enforcement agencies in protecting businesses. There must be specific application of precedent and statutory interpretation. The supporting materials must be comprehensive and clearly show understanding and application of concepts.

For Merit standard, learners will demonstrate individual analysis and discussion on an appropriate security plan for crime prevention for a specific local business. This will include the support available from relevant enforcement agencies. They will demonstrate good analytical skills, providing and applying examples for all aspects of the criterion.

For Pass standard, learners will demonstrate clear understanding by explaining why the business in question will need a strategy for crime prevention, and what this should include, referring to their research. They must apply the research to the specific requirements, location and business type, giving specific examples of required actions.

Links to other units

This unit links to:

- Unit 40: The English Legal System
- Unit 41: UK Employment Law
- Unit 42: Aspects of UK Civil Liability Affecting Business.

Employer involvement

This unit would benefit from employer involvement in the form of:

- guest speakers
- participation in audience assessment of presentations
- design/ideas to contribute to unit assignment/case study/project materials
- work experience
- business materials as exemplars
- support from local business staff as mentors.

Opportunities to develop transferable employability skills

In completing this unit, learners will have the opportunity to develop problem-solving and decision-making skills.

4 Planning your programme

How do I choose the right BTEC International Level 3 qualification for my learners?

BTEC International Level 3 qualifications come in a range of sizes, each with a specific purpose. You will need to recruit learners very carefully to ensure that they start on the right size of qualification to fit into their study programme and that they take the right pathways or optional units to allow them to progress to the next stage.

Some learners may want to take a number of complementary qualifications or keep their progression options open. These learners may be suited to taking a BTEC International Level 3 Certificate or Subsidiary Diploma. Learners who then decide to continue with a fuller vocational programme can transfer to a BTEC International Level 3 Diploma or Extended Diploma.

Some learners are sure of the sector in which they wish to work and are aiming for progression into that sector via higher education. These learners should be directed to the two-year BTEC International Level 3 Extended Diploma as the most suitable qualification.

Is there a learner entry requirement?

As a centre, it is your responsibility to ensure that the learners you recruit have a reasonable expectation of success on the programme. There are no formal entry requirements but we expect learners to have qualifications at or equivalent to Level 2.

Learners are most likely to succeed if they have:

- five International GCSEs at good grades and/or
- BTEC qualification(s) at Level 2
- other appropriate qualifications or achievement at year 11 or age 16 in core subjects.

Learners may demonstrate the ability to succeed in various ways. For example, they may have relevant work experience or specific aptitude shown through diagnostic tests or non-educational experience.

If learners are studying in English we recommend that they have attained at least Level B2 in the Common European Framework of Reference for Languages or Pearson Global Scale of English 51. Please see resources available from Pearson at www.pearson.com/english

What is involved in becoming an approved centre?

All centres must be approved before they can offer these qualifications – so that they are ready to assess learners and so that we can provide the support that is needed. Further information is given in *Section 8 Quality assurance*.

What level of sector knowledge is needed to teach these qualifications?

We do not set any requirements for teachers but recommend that centres assess the overall skills and knowledge of the teaching team to ensure that they are relevant and up to date. This will give learners a rich programme to prepare them for employment in the sector.

What resources are required to deliver these qualifications?

As part of your centre approval, you will need to show that the necessary material resources and work spaces are available to deliver BTEC International Level 3 qualifications. For some units, specific resources are required.

How can Pearson Progress help with planning for these qualifications?

Pearson Progress is a digital support system that supports the delivery, assessment and quality assurance of BTECs in centres. It supports teachers with activities such as course creation, creating and verifying assignments and creating assessment plans and recording assessment decisions.

For further information, see *Section 10 Resources and support*.

Which modes of delivery can be used for these qualifications?

You are free to deliver BTEC International Level 3 qualifications using any form of delivery that meets the needs of your learners. We recommend making use of a wide variety of modes, including direct instruction in classrooms or work environments, investigative and practical work, group and peer work, private study and e-learning.

What are the recommendations for employer involvement?

BTEC International Level 3 qualifications are vocational qualifications and, as an approved centre, you are encouraged to work with employers on design, delivery and assessment to ensure that it is engaging and relevant, and that it equips learners for progression. There are suggestions in many of the units about how employers could become involved in delivery and/or assessment but these are not intended to be exhaustive and there will be other possibilities at local level.

What support is available?

We provide a wealth of support materials, including curriculum plans, delivery guides, sample Pearson Set Assignments, Authorised Assignment Briefs and examples of marked learner work.

You will be allocated a Standards Verifier early on in the planning stage to support you with planning your assessments. There will be extensive training programmes as well as support from our Subject Advisor team.

For further details see *Section 10 Resources and support*.

Meeting local needs

Centres should note that the qualifications set out in this specification have been developed in consultation with centres and employers for the relevant sector. Centres should make maximum use of the choice available to them within the optional units to meet the needs of their learners, and local skills and training needs.

In certain circumstances, units in this specification might not allow centres to meet a local need. In this situation, Pearson will allow centres to either make use of units from other BTEC specifications in this suite, or commission new units to meet the need. Centre developed units will need to be quality assured by Pearson at a cost. Centres are required to ensure that the coherence and purpose of the qualification is retained and to ensure that the vocational focus is not diluted.

The proportion of imported, or locally developed units that can be used are as follows. These units cannot be used at the expense of the mandatory units in any qualification.

Qualification	Meeting local needs allowance	Unit equivalence
Certificate (180 GLH)	No MLN allowed	0 units
Subsidiary Diploma (360 GLH)	60 GLH MLN allowed	1 * 60 GLH unit
Foundation Diploma (510 GLH)	120 GLH MLN allowed	e.g. 2 * 60 GLH units
Diploma (720 GLH)	180 GLH MLN allowed	e.g. 3 * 60 GLH units
Extended Diploma (1080 GLH)	240 GLH MLN allowed	e.g. 4 * 60 GLH units

How will my learners become more employable through these qualifications?

BTEC International Level 3 qualifications are mapped to relevant occupational standards, please see *Appendix 1*: *Links to industry standards*.

Employability skills, such as teamworking and entrepreneurialism, and practical, hands-on skills have been built into the design of the learning aims and content. This gives you the opportunity to use relevant contexts, scenarios and materials to enable learners to develop a portfolio of evidence that demonstrates the breadth of their skills and knowledge in a way that equips them for employment.

5 Assessment structure

Introduction

BTEC International Level 3 qualifications are assessed using a combination of *internal assessments*, which are set and marked by teachers, and *Pearson Set Assignments*, which are set by Pearson and marked by teachers.

- Mandatory units have a combination of internal and Pearson Set Assignments.
- All optional units are internally assessed.

In developing an overall plan for delivery and assessment for the programme, you will need to consider the order in which you deliver units, whether delivery is over short- or long periods and when assessment can take place. You must plan the assignments so that learners can demonstrate learning from across their programme.

We have addressed the need to ensure that the time allocated to final assessment of units is reasonable so that there is sufficient time for teaching and learning, formative assessment and development of transferable skills.

In administering an internal assignment or a Pearson Set Assignment, the centre needs to be aware of the specific procedures and policies that apply, for example to registration, entries and results. An overview, with signposting to relevant documents, is given in *Section 7 Administrative arrangements*.

Internal assessment

Our approach to internal assessment for these qualifications will be broadly familiar to experienced centres. It offers flexibility in how and when you assess learners, provided that you meet assessment and quality assurance requirements. You will need to take account of the requirements of the unit format, which we explain in *Section 3 Units*, and the requirements for delivering assessment given in *Section 6 Internal assessment*.

Pearson Set Assignment units

A summary of the set assignments for this qualification is given in *Section 2 Structure*. You should check this information carefully, together with the details of the unit being assessed, so that you can timetable learning and assessment periods appropriately.

Learners must take the authorised Pearson Set Assignment for the set assignment unit. Teachers are not permitted to create their own assessments for set assignment units. Some assignments may need to be taken in controlled conditions. These are described in each unit.

Please see *Section 6* for resubmission and retaking regulations.

6 Internal assessment

This section gives an overview of the key features of internal assessment and how you, as an approved centre, can offer it effectively. The full requirements and operational information are given in the *BTEC International Quality Assurance Handbook*. All members of the assessment team need to refer to this document.

For BTEC International Level 3 qualifications, it is important that you can meet the expectations of stakeholders and the needs of learners by providing a programme that is practical and applied. Centres can tailor programmes to meet local needs and use links with local employers and the wider vocational sector.

When internal assessment is operated effectively, it is challenging, engaging, practical and up to date. It must also be fair to all learners and meet international standards.

All units in these qualifications are internally assessed but Pearson sets assignments for some units.

Principles of internal assessment (applies to all units)

Assessment through assignments

For all units, the format of assessment is an assignment taken after the content of the unit, or part of the unit if several assignments are used, has been delivered. An assignment may take a variety of forms, including practical and written types. An assignment is a distinct activity, completed independently by learners, that is separate from teaching, practice, exploration and other activities that learners complete with direction from teachers.

An assignment is issued to learners as an assignment brief with a defined start date, a completion date and clear requirements for the evidence that they need to provide. There may be specific observed practical components during the assignment period. Assignments can be divided into tasks and may require several forms of evidence. A valid assignment will enable a clear and formal assessment outcome, based on the assessment criteria. For most units, teachers will set the assignments. For Pearson Set Assignment units, Pearson will set the assignment.

Assessment decisions through applying unit-based criteria

Assessment decisions for BTEC International Level 3 qualifications are based on the specific criteria given in each unit and set at each grade level. To ensure that standards are consistent in the qualification and across the suite as a whole, the criteria for each unit have been defined according to a framework. The way in which individual units are written provides a balance of assessment of understanding, practical skills and vocational attributes appropriate to the purpose of qualifications.

The assessment criteria for a unit are hierarchical and holistic. For example, if an M criterion requires the learner to show 'analysis' and the related P criterion requires the learner to 'explain', then to satisfy the M criterion, a learner will need to cover both 'explain' and 'analyse'. The unit assessment grid shows the relationships between the criteria so that assessors can apply all the criteria to the learner's evidence at the same time. In *Appendix 3: Glossary of terms used*, we have set out a definition of terms that assessors need to understand.

Assessors must show how they have reached their decisions using the criteria in the assessment records. When a learner has completed all the assessment for a unit, then the assessment team will give a grade for the unit. This is given according to the highest level for which the learner is judged to have met all the criteria. Therefore:

- to achieve a Distinction, a learner must have satisfied all the Distinction criteria (and therefore the Pass and Merit criteria); these define outstanding performance across the unit as a whole
- to achieve a Merit, a learner must have satisfied all the Merit criteria (and therefore the Pass criteria) through high performance in each learning aim
- to achieve a Pass, a learner must have satisfied all the Pass criteria for the learning aims, showing coverage of the unit content and therefore attainment at Level 3 of the qualification.

The award of a Pass is a defined level of performance and cannot be given solely on the basis of a learner completing assignments. Learners who do not satisfy the Pass criteria should be reported as Unclassified.

The assessment team

It is important that there is an effective team for internal assessment. There are three key roles involved in implementing assessment processes in your centre, each with different interrelated responsibilities; the roles are listed below. There is detailed information in the *BTEC International Quality Assurance Handbook*.

- The Lead Internal Verifier (the Lead IV) has overall responsibility for the programme, its assessment and internal verification, to meet our requirements, record keeping and liaison with the Standards Verifier, ensuring our requirements are met. The Lead IV registers with Pearson annually. The Lead IV acts as an assessor, standardises and supports the rest of the assessment team, makes making sure that they have the information they need about our assessment requirements and organises training, making use of our standardisation, guidance and support materials.
- Internal Verifiers (IVs) oversee all assessment activity activities in consultation with the Lead IV. They check that assignments and assessment decisions are valid and that they meet our requirements. IVs will be standardised by working with the Lead IV. Normally, IVs are also assessors but they do not verify their own assessments.
- Assessors set or use assignments to assess learners. Before taking making any assessment decisions, assessors participate in standardisation activities led by the Lead IV. They work with the Lead IV and IVs to ensure that the assessment is planned and carried out in line with our requirements.

Effective organisation

Internal assessment needs to be well organised so that the progress of learners can be tracked and so that we can monitor that assessment is being carried out. We support you through, for example, providing training materials and sample documentation. Our online Pearson Progress service can help support you in planning and record keeping. Further information on using Pearson Progress can be found in *Section 10 Resources and support*, and on our website.

It is particularly important that you manage the overall assignment programme and deadlines to make sure that learners are able to complete assignments on time.

Learner preparation

To ensure that you provide effective assessment for your learners, you need to make sure that they understand their responsibilities for assessment and the centre's arrangements.

From induction onwards, you will want to ensure that learners are motivated to work consistently and independently to achieve the requirements of the qualifications. Learners need to understand how assignments are used, the importance of meeting assignment deadlines and that all the work submitted for assessment must be their own.

You will need to give learners a guide that explains how assignments are used for assessment, how assignments relate to the teaching programme and how learners should use and reference source materials, including what would constitute plagiarism. The guide should also set out your approach to operating assessment, such as how learners must submit work and request extensions.

Making valid assessment decisions

Authenticity of learner work

Once an assessment has begun, learners must not be given feedback on progress towards fulfilling the targeted criteria.

An assessor must assess only learner work that is authentic, i.e. learners' own independent work. Learners must authenticate the evidence that they provide for assessment through signing a declaration stating that it is their own work.

Assessors must ensure that evidence is authentic to a learner through setting valid assignments and supervising them during the assessment period. Assessors must take care not to provide direct input, instructions or specific feedback that may compromise authenticity.

Assessors must complete a declaration that:

- to the best of their knowledge the evidence submitted for this assignment is the learner's own
- the learner has clearly referenced any sources used in the work
- they understand that false declaration is a form of malpractice.

Centres can use Pearson templates or their own templates to document authentication.

During assessment, an assessor may suspect that some or all of the evidence from a learner is not authentic. The assessor must then take appropriate action using the centre's policies for malpractice. Further information is given in *Section 7 Administrative arrangements*.

Making assessment decisions using criteria

Assessors make judgements using the criteria. The evidence from a learner can be judged using all the relevant criteria at the same time. The assessor needs to make a judgement against each criterion that evidence is present and sufficiently comprehensive. For example, the inclusion of a concluding section may be insufficient to satisfy a criterion requiring 'evaluation'.

Assessors should use the following information and support in reaching assessment decisions:

- the *Essential information for assessment decisions* section in each unit gives examples and definitions related to terms used in the criteria
- the explanation of key terms in *Appendix 3: Glossary of terms used*
- examples of assessed work provided by Pearson
- your Lead IV and assessment team's collective experience, supported by the standardisation materials we provide.

Pass and Merit criteria relate to individual learning aims. The Distinction criteria as a whole relate to outstanding evidence across the unit. Therefore, criteria may relate to more than one learning aim (for example A.D1) or to several learning aims (for example DE.D3). Distinction criteria make sure that learners have shown that they can perform consistently at an outstanding level across the unit and/or that they are able to draw learning together across learning aims.

Issuing assessment decisions and feedback

Once the assessment team has completed the assessment process for an assignment, the outcome is a formal assessment decision. This is recorded formally and reported to learners.

The information given to the learner:

- must show the formal decision and how it has been reached, indicating how or where criteria have been met
- may show why attainment against criteria has not been demonstrated
- must not provide feedback on how to improve evidence
- must be validated by an IV before it is given to the learner.

Planning and record keeping

For internal processes to be effective, an assessment team needs to be well organised and keep effective records. The centre will work closely with us so that we can ensure that standards are being satisfied and achieved. This process gives stakeholders confidence in the assessment approach.

The programme must have an assessment plan validated by the Lead IV, produced as a spreadsheet. When producing a plan, the assessment team needs to consider:

- the time required for training and standardisation of the assessment team
- the time available to undertake teaching and carry out assessment, taking account of when learners may complete assessments and when quality assurance will take place
- the completion dates for different assignments and the name of each Assessor
- who is acting as the Internal Verifier for each assignment and the date by which the assignment needs to be internally verified

- setting an approach to sampling assessor decisions though internal verification that covers all assignments, assessors and a range of assessment decisions
- how to manage the assessment and verification of learners' work so that they can be given formal decisions promptly
- how resubmission opportunities can be scheduled.

The Lead IV will also maintain records of assessment undertaken. The key records are:

- internal verification of assignment briefs
- learner authentication declarations
- assessor decisions on assignments, with feedback given to learners
- internal verification of assessment decisions
- assessment tracking for the unit.

There are examples of records and further information in the *BTEC International Quality Assurance Handbook*.

Setting effective assignments (applies to all units without Pearson Set Assignments)

Setting the number and structure of assignments

This section does not apply to Pearson Set Assignment units. In setting your assignments, you need to work with the structure of assignments shown in the *Essential information for assignments* section of a unit. This shows the structure of the learning aims and criteria that you must follow and the recommended number of assignments that you should use. For these units we provide sample Authorised Assignment Briefs and we give you suggestions on how to create suitable assignments. You can find these materials on our website. In designing your own assignment briefs, you should bear in mind the following points.

- The number of assignments for a unit must not exceed the number shown in *Essential information for assignments*. However, you may choose to combine assignments, for example to create a single assignment for the whole unit.
- You may also choose to combine all or parts of different units into single assignments, provided that all units and all their associated learning aims are fully addressed in the programme overall. If you choose to take this approach, you need to make sure that learners are fully prepared so that they can provide all the required evidence for assessment and that you are able to track achievement in the records.
- A learning aim must always be assessed as a whole and must not be split into two or more assignments.
- The assignment must be targeted to the learning aims but the learning aims and their associated criteria are not tasks in themselves. Criteria are expressed in terms of the outcome shown in the evidence.
- For units containing synoptic assessment, the planned assignments must allow learners to select and apply their learning, using appropriate self-management of tasks.
- You do not have to follow the order of the learning aims of a unit in setting assignments but later learning aims often require learners to apply the content of earlier learning aims and they may require learners to draw their learning together.

- Assignments must be structured to allow learners to demonstrate the full range of achievement at all grade levels. Learners need to be treated fairly by being given the opportunity to achieve a higher grade if they have the ability.
- As assignments provide a final assessment, they will draw on the specified range of teaching content for the learning aims. The specified content is compulsory. The evidence for assessment need not cover every aspect of the teaching content as learners will normally be given particular examples, case studies or contexts in their assignments. For example, if a learner is carrying out one practical performance, or an investigation of one organisation, then they will address all the relevant range of content that applies in that instance.

Providing an assignment brief

A good assignment brief is one that, through providing challenging and realistic tasks, motivates learners to provide appropriate evidence of what they have learned.

An assignment brief should have:

- a vocational scenario, this could be a simple situation or a full, detailed set of vocational requirements that motivates the learner to apply their learning through the assignment
- clear instructions to the learner about what they are required to do, normally set out through a series of tasks
- an audience or purpose for which the evidence is being provided
- an explanation of how the assignment relates to the unit(s) being assessed.

Forms of evidence

BTECs have always allowed for a variety of forms of evidence to be used – provided that they are suited to the type of learning aim being assessed. For many units, the practical demonstration of skills is necessary and, for others, learners will need to carry out their own research and analysis. The units give you information on what would be suitable forms of evidence to give learners the opportunity to apply a range of employability or transferable skills. Centres may choose to use different suitable forms of evidence to those proposed. Overall, learners should be assessed using varied forms of evidence.

Full definitions of types of assessment are given in *Appendix 3: Glossary of terms used*. These are some of the main types of assessment:

- written reports
- projects
- time-constrained practical assessments with observation records and supporting evidence
- recordings of performance
- sketchbooks, working logbooks, reflective journals
- presentations with assessor questioning.

The form(s) of evidence selected must:

- allow the learner to provide all the evidence required for the learning aim(s) and the associated assessment criteria at all grade levels
- allow the learner to produce evidence that is their own independent work
- allow a verifier to independently reassess the learner to check the assessor's decisions.

For example, when you are using performance evidence, you need to think about how supporting evidence can be captured through recordings, photographs or task sheets.

Centres need to take particular care that learners are enabled to produce independent work. For example, if learners are asked to use real examples, then best practice would be to encourage them to use their own or to give the group a number of examples that can be used in varied combinations.

Late completion, resubmission and retakes (applies to all units including Pearson Set Assignment units)

Dealing with late completion of assignments for internally-assessed units

Learners must have a clear understanding of the centre policy on completing assignments by the deadlines that you give them. Learners may be given authorised extensions for legitimate reasons, such as illness at the time of submission, in line with your centre policies.

For assessment to be fair, it is important that learners are all assessed in the same way and that some learners are not advantaged by having additional time or the opportunity to learn from others. Therefore, learners who do not complete assignments by your planned deadline or by the authorised extension deadline may not have the opportunity to subsequently resubmit.

If you accept a late completion by a learner, then the assignment should be assessed normally when it is submitted, using the relevant assessment criteria.

Resubmission of improved evidence for internally-assessed units

An assignment provides the final assessment for the relevant learning aims and is normally a final assessment decision, except where the Lead IV approves one opportunity to resubmit improved evidence based on the completed assignment brief.

The Lead IV has the responsibility to make sure that resubmission is operated fairly. This means:

- checking that a learner can be reasonably expected to perform better through a second submission, for example that the learner has not performed as expected
- making sure that giving a further opportunity can be done in such a way that it does not give an unfair advantage over other learners, for example through the opportunity to take account of feedback given to other learners
- checking that the assessor considers that the learner will be able to provide improved evidence without further guidance and that the original evidence submitted has been authenticated by both the learner and assessor and remains valid.

Once an assessment decision has been given to the learner, the resubmission opportunity must have a deadline within 15 working days after the timely issue of assessment feedback to learners, which is within term time in the same academic year.

A resubmission opportunity must not be provided where learners:

- have not completed the assignment by the deadline without the centre's agreement
- have submitted work that is not authentic.

We recognise that there are circumstances where the resubmission period may fall outside of the 15-day limit owing to a lack of resources being available, for example where learners may need to access a performance space or have access to specialist equipment. Where it is practical to do so, for example evaluations, presentations, extended writing, resubmission must remain within the normal 15-day period.

Retake of internal assessment

A learner who has not achieved the level of performance required to pass the relevant learning aims after resubmission of an assignment may be offered a single retake opportunity using a new assignment. The retake may be achieved at a Pass only.

The Lead Internal Verifier must authorise a retake of an assignment only in exceptional circumstances where they believe it is necessary, appropriate and fair to do so. The retake is not timebound and the assignment can be attempted by the learner on a date agreed between the Lead IV and assessor within the same academic year.

For further information on offering a retake opportunity, you should refer to the *BTEC Centre Guide to Internal Assessment*. Information on writing assignments for retakes is given on our website (www.btec.co.uk/keydocuments).

7 Administrative arrangements

Introduction

This section focuses on the administrative requirements for delivering a BTEC qualification. It is of particular value to Quality Nominees, Lead IVs, Programme Leaders and Examinations Officers.

Learner registration and entry

Shortly after learners start the programme of learning, you need to make sure that they are registered for the qualification and that appropriate arrangements are made for internal assessment. You need to refer to the relevant section for BTEC International in the *Information Manual* for information on making registrations for the qualification.

Learners can be formally assessed only for a qualification on which they are registered. If learners' intended qualifications change, for example if a learner decides to choose a different pathway specialism, then the centre must transfer the learner appropriately.

Access to assessment

Assessments need to be administered carefully to ensure that all learners are treated fairly, and that results and certification are issued on time to allow learners to progress to their chosen progression opportunities.

Our equality policy requires that all learners should have equal opportunity to access our qualifications and assessments, and that our qualifications are awarded in a way that is fair to every learner. We are committed to making sure that:

- learners with a protected characteristic are not, when they are undertaking one of our qualifications, disadvantaged in comparison to learners who do not share that characteristic
- all learners achieve the recognition they deserve for undertaking a qualification and that this achievement can be compared fairly to the achievement of their peers.

Further information on access arrangements can be found in the document *Supplementary guidance for reasonable adjustments and special consideration.*

Administrative arrangements for assessment

Records

You are required to retain records of assessment for each learner. Records should include assessments taken, decisions reached and any adjustments or appeals. Further information can be found in the relevant section for BTEC International in the *Information Manual*. We may ask to audit your records, so they must be retained as specified.

Reasonable adjustments to assessment

To ensure that learners have fair access to demonstrate the requirements of the assessments, a reasonable adjustment is one that is made before a learner takes an assessment. You are able to make adjustments to internal assessments to take account of the needs of individual learners. In most cases, this can be achieved through a defined time extension or by adjusting the format of evidence. We can advise you if you are uncertain as to whether an adjustment is fair and reasonable. You need to plan for time to make adjustments if necessary.

Further details on how to make adjustments for learners with protected characteristics are given on our website, in the document *Supplementary guidance for reasonable adjustments and special consideration*.

Special consideration

Special consideration is given after an assessment has taken place for learners who have been affected by adverse circumstances, such as illness. You must operate special consideration in line with our policy (see above). You can give special consideration related to the period of time given for evidence to be provided or for the format of the assessment if it is equally valid. You may not substitute alternative forms of evidence to that required in a unit or omit the application of any assessment criteria to judge attainment. Pearson can consider applications for special consideration if they are in line with the policy.

Appeals against assessment

Your centre must have a policy for dealing with appeals from learners. These appeals may relate to assessment decisions being incorrect or assessment not being conducted fairly. The first step in such a policy could be a consideration of the evidence by a Lead IV or other member of the programme team. The assessment plan should allow time for potential appeals after assessment decisions have been given to learners. If there is an appeal by a learner, you must document the appeal and its resolution. Learners have a final right of appeal to Pearson but only if the procedures that you have put in place have not been followed. Further details are given in the document *Internal assessment in vocational qualifications: reviews and appeals policy*.

Conducting set assignments

Centres must make arrangements for the secure delivery of Pearson Set Assignments.

At least one Pearson Set Assignment will be available each year for each unit with an additional one provided for resit. Centres must not select an assignment that learners have attempted already.

Each set assignment has a defined degree of control under which it must take place. We define degrees of control as follows.

Medium control

This is completion of assessment, usually over a longer period of time, which may include a period of controlled conditions. The controlled conditions may allow learners to access resources, prepared notes or the internet to help them complete the assignment.

Low control

These are activities completed without direct supervision. They may include research, preparation of materials and practice.

Each set assignment unit will contain instructions in the *Essential information for assignments* section on how to conduct the assessment of that unit.

Some set assignments will need to be taken with limited controls. Limited controls are described in each unit and may include the following conditions:

- Time: each assignment has a recommended time period. This is for advice only and can be adjusted depending on the needs of learners.
- Supervision: you should be confident of the authenticity of learner's work. This may mean that learners be supervised.
- Resources: all learners should have access to the same types of resources to complete the assignment.
- Research: learners should be given the opportunity to carry out research outside of the learning context if required for the assignment.

Schools and colleges must be able to confirm that learner evidence is authentic.

Dealing with malpractice in assessment

Malpractice means acts that undermine the integrity and validity of assessment, the certification of qualifications, and/or that may damage the authority of those responsible for delivering the assessment and certification.

Pearson does not tolerate actions (or attempted actions) of malpractice by learners, centre staff or centres in connection with Pearson qualifications. Pearson may impose penalties and/or sanctions on learners, centre staff or centres where incidents (or attempted incidents) of malpractice have been proven.

Malpractice may arise or be suspected in relation to any unit or type of assessment within the qualification. For further details regarding malpractice and advice on preventing malpractice by learners, please see Pearson's *Centre guidance: Dealing with malpractice and maladministration in vocational qualifications*, available on our website.

Centres are required to take steps to prevent malpractice and to investigate instances of suspected malpractice. Learners must be given information that explains what malpractice is for internal assessment and how suspected incidents will be dealt with by the centre. The *Centre Guidance: Dealing with malpractice and maladministration in vocational qualifications* document gives comprehensive information on the actions we expect you to take.

Pearson may conduct investigations if we believe that a centre is failing to conduct internal assessment according to our policies. The above document gives further information and examples, and details the penalties and sanctions that may be imposed.

In the interests of learners and centre staff, centres need to respond effectively and openly to all requests relating to an investigation into an incident of suspected malpractice.

Learner malpractice

Learner malpractice refers to any act by a learner that compromises or which seeks to compromise the process of assessment or which undermines the integrity of the qualifications or the validity of results/certificates.

Learner malpractice in examinations **must** be reported to Pearson using a *JCQ Form M1* (available at www.jcq.org.uk/exams-office/malpractice). The form should be emailed to candidatemalpractice@pearson.com. Please provide as much information and supporting documentation as possible. Note that the final decision regarding appropriate sanctions lies with Pearson.

Failure to report malpractice constitutes staff or centre malpractice.

Staff/centre malpractice

Staff and centre malpractice includes both deliberate malpractice and maladministration of our qualifications. As with learner malpractice, staff and centre malpractice is any act that compromises or which seeks to compromise the process of assessment, or which undermines the integrity of the qualifications or the validity of results/certificates.

All cases of suspected staff malpractice and maladministration **must** be reported immediately, before any investigation is undertaken by the centre, to Pearson on a *JCQ Form M2* (available at www.jcq.org.uk/exams-office/malpractice).

The form, supporting documentation and as much information as possible should be emailed to pqsmalpractice@pearson.com. Note that the final decision regarding appropriate sanctions lies with Pearson.

Failure to report malpractice itself constitutes malpractice.

More detailed guidance on malpractice can be found in the latest version of the document *JCQ Suspected Malpractice Policies and Procedures*, available at www.jcq.org.uk/exams-office/malpractice.

Sanctions and appeals

Where malpractice is proven, we may impose sanctions or penalties.

Where learner malpractice is evidenced, penalties may be imposed such as:

- disqualification from the qualification
- being barred from registration for Pearson qualifications for a period of time.

If we are concerned about your centre's quality procedures, we may impose sanctions, such as:

- working with you to create an improvement action plan
- requiring staff members to receive further training
- placing temporary blocks on your certificates
- placing temporary blocks on registration of learners
- debarring staff members or the centre from delivering Pearson qualifications
- suspending or withdrawing centre approval status.

The centre will be notified if any of these apply.

Pearson has established procedures for centres that are considering appeals against penalties and sanctions arising from malpractice. Appeals against a decision made by Pearson will normally be accepted only from Heads of Centres (on behalf of learners and/or members of staff) and from individual members (in respect of a decision taken against them personally). Further information on appeals can be found in our document *Internal assessment in vocational qualifications: reviews and appeals policy*, which is on our website. In the initial stage of any aspect of malpractice, please notify the Investigations Team by email via pqsmalpractice@pearson.com, who will inform you of the next steps.

Certification and results

Once a learner has completed all the required components for a qualification, the centre can claim certification for the learner, provided that quality assurance has been successfully completed. For the relevant procedures, please refer to the BTEC International section of our *Information Manual*. You can use the information provided on qualification grading to check overall qualification grades.

Changes to qualification requests

Where a learner who has taken a qualification wants to resit a unit to improve their qualification grade, you firstly need to decline their overall qualification grade. You may decline the grade before the certificate is issued.

Additional documents to support centre administration

As an approved centre, you must ensure that all staff delivering, assessing and administering the qualifications have access to the following documentation. These documents are reviewed annually and are reissued if updates are required.

- *BTEC International Quality Assurance Handbook*: this sets out how we will carry out quality assurance of standards and how you need to work with us to achieve successful outcomes.
- *International Information Manual*: this gives procedures for registering learners for qualifications, transferring registrations and claiming certificates.
- *Regulatory policies*: our regulatory policies are integral to our approach and explain how we meet internal and regulatory requirements. We review the regulated policies annually to ensure that they remain fit for purpose. Policies related to this qualification include:
  - adjustments for candidates with disabilities and learning difficulties, access arrangements and reasonable adjustments for learners of determination for general and vocational qualifications
  - age of learners
  - centre guidance for dealing with malpractice
  - recognition of prior learning and process.

This list is not exhaustive and a full list of our regulatory policies can be found on our website.

8 Quality assurance

Centre and qualification approval

As part of the approval process, your centre must make sure that the resource requirements listed below are in place before offering the qualification.

- Centres must have appropriate physical resources (for example equipment, IT, learning materials, teaching rooms) to support the delivery and assessment of the qualification.
- Staff involved in the assessment process must have relevant expertise and/or occupational experience.
- There must be systems in place to ensure continuing professional development for staff delivering the qualification.
- Centres must have in place appropriate health and safety policies relating to the use of equipment by learners.
- Centres must deliver the qualification in accordance with current equality and diversity legislation and/or regulations.
- Centres should refer to the *Further information for teachers and assessors* section in individual units to check for any specific resources required.

Continuing quality assurance and standards verification

On an annual basis, we produce the *BTEC International Quality Assurance Handbook*. It contains detailed guidance on the quality processes required to underpin robust assessment and internal verification.

The key principles of quality assurance are that:

- a centre delivering BTEC programmes must be an approved centre, and must have approval for the programmes or groups of programmes that it is delivering
- the centre agrees, as part of gaining approval, to abide by specific terms and conditions around the effective delivery and quality assurance of assessment; the centre must abide by these conditions throughout the period of delivery
- Pearson makes available to approved centres resources and processes that exemplify assessment and appropriate standards. Approved centres must use these to ensure that all staff delivering BTEC qualifications keep up to date with the guidance on assessment
- an approved centre must follow agreed protocols for standardisation of assessors and verifiers, for the planning, monitoring and recording of assessment processes, and for dealing with special circumstances, appeals and malpractice.

The approach of quality-assured assessment is through a partnership between an approved centre and Pearson. We will make sure that each centre follows best practice and employs appropriate technology to support quality-assurance processes, where practicable. We work to support centres and seek to make sure that our quality-assurance processes do not place undue bureaucratic processes on centres. We monitor and support centres in the effective operation of assessment and quality assurance.

The methods we use to do this for BTEC Level 3 include:

- making sure that all centres complete appropriate declarations at the time of approval
- undertaking approval visits to centres
- making sure that centres have effective teams of assessors and verifiers who are trained to undertake assessment
- assessment sampling and verification, through requested samples of assessments, completed assessed learner work and associated documentation
- an overarching review and assessment of a centre's strategy for delivering and quality assuring its BTEC programmes, for example making sure that synoptic units are placed appropriately in the order of delivery of the programme.

Centres that do not fully address and maintain rigorous approaches to delivering, assessing and quality assurance cannot seek certification for individual programmes or for all BTEC Level 3 programmes. An approved centre must make certification claims only when authorised by us and strictly in accordance with requirements for reporting.

Centres that do not comply with remedial action plans may have their approval to deliver qualifications removed.

9 Understanding the qualification grade

Awarding and reporting for the qualification

This section explains the rules that we apply in awarding a qualification and in providing an overall qualification grade for each learner. It shows how all the qualifications in this sector are graded.

Eligibility for an award

In order to be awarded a qualification, a learner must complete all units AND achieve a Pass or above in all mandatory units unless otherwise specified. Refer to the structure in *Section 2 Structure*.

To achieve any qualification grade, learners must:

- complete and have an outcome (D, M, P or U) for all units within a valid combination
- achieve the **required units at Pass or above** shown in *Section 2*, abiding by the minimum requirements in the compensation table below
- achieve the **minimum number of points** at a grade threshold.

It is the responsibility of a centre to ensure that a correct unit combination is adhered to. Learners who do not achieve the required minimum grade (P) in units shown in the structure will not achieve a qualification.

Learners who do not achieve sufficient points for a qualification or who do not achieve all the required units may be eligible to achieve a smaller qualification in the same suite, provided they have completed and achieved the correct combination of units and met the appropriate qualification grade points threshold.

Compensation table

Qualification	Compensation rule	Unit equivalence
Certificate (180 GLH)	No compensation allowed	0 units
Subsidiary Diploma (360 GLH)	Mandatory must be passed, 60 GLH only at U grade permitted from optional	1 * 60 GLH unit
Foundation Diploma (510 GLH)	Mandatory must be passed, 120 GLH only at U grade permitted from optional	e.g. 2 * 60 GLH units OR 1 * 120 GLH unit
Diploma (720 GLH)	Mandatory must be passed, 180 GLH only at U grade permitted from optional	e.g. 3 * 60 GLH units OR 1 * 60 GLH and 1 * 120 GLH unit
Extended Diploma (1080 GLH)	Mandatory must be passed, 180 GLH only at U grade permitted from optional	e.g. 3 * 60 GLH units OR 1 * 60 GLH and 1 * 120 GLH unit

Calculation of the qualification grade

The final grade awarded for a qualification represents an aggregation of a learner's performance across the qualification. As the qualification grade is an aggregate of the total performance, there is some element of compensation in that a higher performance in some units may be balanced by a lower outcome in others.

In the event that a learner achieves more than the required number of optional units, the mandatory units, along with the optional units with the highest grades, will be used to calculate the overall result, subject to the eligibility requirements for that particular qualification title.

BTEC International Level 3 qualifications are awarded at the grade ranges shown in the table below.

Qualification	Available grade range
Certificate, Subsidiary Diploma, Foundation Diploma	P to D*
Diploma	PP to D*D*
Extended Diploma	PPP to D*D*D*

The *Calculation of qualification grade* table, given later in this section, shows the minimum thresholds for calculating these grades. The table will be kept under review over the lifetime of the qualification. In the event of any change, centres will be informed before the start of teaching for the relevant cohort and an updated table will be issued on our website.

Learners who do not meet the minimum requirements for a qualification grade to be awarded will be recorded as Unclassified (U) and will not be certificated. They may receive a Notification of Performance for individual units. The *Information Manual* gives full information.

Points available for unit size and grades

The table below shows the number of **points** available for internal units. For each internal unit, points are allocated depending on the grade awarded.

	Unit size		
	60 GLH	**90 GLH**	**120GLH**
U	0	0	0
Pass	6	9	12
Merit	10	15	20
Distinction	16	24	32

Claiming the qualification grade

Pearson will automatically calculate the qualification grade for your learners when the unit grades are submitted and the qualification claim is made. Learners will be awarded qualification grades for achieving the sufficient number of points within the ranges shown in the relevant *Calculation of qualification grade* table.

Calculation of qualification grade

Applicable for registration from 1 April 2020.

Certificate		Subsidiary Diploma		Foundation Diploma		Diploma		Extended Diploma	
180 GLH		360 GLH		510 GLH		720 GLH		1080 GLH	
Grade	Points threshold	Grade	Points threshold	Grade	Points threshold	Grade	Points threshold	Grade	Points threshold
Unclassified	0	U	0	U	0	U	0	U	0
Pass	18	P	36	P	51	PP	72	PPP	108
						MP	88	MPP	124
								MMP	140
Merit	26	M	52	M	73	MM	104	MMM	156
						DM	124	DMM	176
								DDM	196
Distinction	42	D	74	D	104	DD	144	DDD	216
						D*D	162	D*DD	234
								D*D*D	252
Distinction*	48	D*	90	D*	130	D*D*	180	D*D*D*	270

This table is subject to review over the lifetime of the qualification. The most up-to-date version will be issued via our website.

Examples of grade calculations based on table applicable to registrations from April 2020

Example 1: Achievement of a Certificate with a P grade

	GLH	Type (Int/PSA)	Grade	Unit points
Unit 1	90	Int	Pass	9
Unit 2	90	PSA	Merit	15
Totals	**180**		**P**	**24**

The learner has sufficient points for a P grade.

Example 2: Achievement of a Certificate with an M grade

	GLH	Type (Int/PSA)	Grade	Unit points
Unit 1	90	Int	Pass	9
Unit 2	90	PSA	Distinction	24
Totals	**180**		**M**	**33**

The learner has sufficient points for an M grade.

Example 3: An Unclassified result for a Certificate

	GLH	Type (Int/PSA)	Grade	Unit points
Unit 1	90	Int	Distinction	24
Unit 2	90	PSA	Unclassified	0
Totals	**180**		**Unclassified**	**24**

The learner has an Unclassified result in Unit 2.

The learner has sufficient points for a P grade but has not met the minimum requirement for a grade in Unit 2.

Examples of grade calculations based on table applicable to registrations from April 2020

Example 1: Achievement of a Subsidiary Diploma with a P grade

	GLH	Type (Int/PSA)	Grade	Unit points
Unit 1	90	Int	Pass	9
Unit 2	90	PSA	Merit	15
Unit 5	60	Int	Unclassified	0
Unit 7	120	PSA	Pass	12
Totals	**360**		**P**	**36**

The learner has achieved P or higher in Units 1, 2 and 7.

The learner has sufficient points for a P grade.

Example 2: Achievement of a Subsidiary Diploma with an M grade

	GLH	Type (Int/PSA)	Grade	Unit points
Unit 1	90	Int	Merit	15
Unit 2	90	PSA	Pass	9
Unit 5	60	Int	Distinction	16
Unit 7	120	PSA	Merit	20
Totals	**360**		**M**	**60**

The learner has sufficient points for an M grade.

Example 3: An Unclassified Result for a Subsidiary Diploma

	GLH	Type (Int/PSA)	Grade	Unit points
Unit 1	90	Int	Unclassified	0
Unit 2	90	PSA	Distinction	24
Unit 5	60	Int	Merit	10
Unit 7	120	PSA	Merit	20
Totals	**360**		**Unclassified**	**54**

The learner has an Unclassified result in Unit 1.

The learner has sufficient points for an M grade but has not met the minimum requirement for a P or higher in Unit 1, and has more than 60 GLH at U grade.

Examples of grade calculations based on table applicable to registrations from April 2020

Example 1: Achievement of a Foundation Diploma with a P grade

	GLH	Type (Int/PSA)	Grade	Unit points
Unit 1	90	Int	Pass	9
Unit 2	90	PSA	Distinction	24
Unit 3	90	Int	Pass	9
Unit 7	120	Int	Pass	12
Unit 8	60	Int	Merit	10
Unit 12	60	Int	Merit	10
Totals	**510**		**P**	**74**

The learner has achieved P or higher in Units 1, 2, 3 and 7.

The learner has sufficient points for a P grade.

Example 2: Achievement of a Foundation Diploma with an M grade

	GLH	Type (Int/PSA)	Grade	Unit points
Unit 1	90	PSA	Pass	9
Unit 2	90	PSA	Pass	9
Unit 3	90	Int	Distinction	24
Unit 5	60	Int	Distinction	16
Unit 6	60	PSA	Distinction	16
Unit 8	60	Int	Merit	10
Unit 12	60	Int	Merit	10
Totals	**510**		**M**	**94**

The learner has sufficient points for an M grade.

Example 3: An Unclassified result for a Foundation Diploma

	GLH	Type (Int/PSA)	Grade	Unit points
Unit 1	90	PSA	Merit	15
Unit 2	90	PSA	Unclassified	0
Unit 3	90	Int	Distinction	24
Unit 5	60	Int	Distinction	16
Unit 7	120	PSA	Merit	20
Unit 8	60	Int	Pass	6
Totals	**510**		**Unclassified**	**81**

The learner has an Unclassified result in Unit 2.

The learner has sufficient points for an M grade but has not met the minimum requirement for P or higher in Unit 2.

Examples of grade calculations based on table applicable to registrations from April 2020

Example 1: Achievement of a Diploma with a PP grade

	GLH	Type (Int/PSA)	Grade	Unit points
Unit 1	90	Int	Pass	9
Unit 2	90	PSA	Pass	9
Unit 3	90	Int	Merit	15
Unit 4	90	Int	Pass	9
Unit 5	60	Int	Merit	10
Unit 6	60	PSA	Pass	6
Unit 7	120	PSA	Pass	12
Unit 8	60	Int	Unclassified	0
Unit 20	60	Int	Merit	10
Totals	**720**		**PP**	**80**

The learner has achieved P or higher in Units 1, 2, 3, 4, 5, 6, 7 and 20.

The learner has sufficient points for a PP grade.

Example 2: An Unclassified result for a Diploma

	GLH	Type (Int/PSA)	Grade	Unit points
Unit 1	90	Int	Merit	15
Unit 2	90	PSA	Pass	9
Unit 3	90	Int	Pass	9
Unit 4	90	Int	Pass	9
Unit 5	60	Int	Merit	10
Unit 6	60	PSA	Distinction	16
Unit 7	120	PSA	Unclassified	0
Unit 8	60	Int	Unclassified	0
Unit 20	60	Int	Merit	10
Totals	**720**		**Unclassified**	**78**

The learner has Unclassified results in Units 7 and 8.

The learner has sufficient points for a PP grade but has not met the minimum requirement for P or higher in Unit 7.

Examples of grade calculations based on table applicable to registrations from April 2020

Example 1: Achievement of an Extended Diploma with a PPP grade

	GLH	Type (Int/PSA)	Grade	Unit points
Unit 1	90	Int	Pass	9
Unit 2	90	PSA	Pass	9
Unit 3	90	Int	Pass	9
Unit 4	90	Int	Merit	15
Unit 5	60	Int	Pass	6
Unit 6	60	PSA	Merit	10
Unit 7	120	PSA	Merit	20
Unit 8	60	Int	Unclassified	0
Unit 9	60	Int	Pass	6
Unit 10	60	Int	Pass	6
Unit 11	60	Int	Pass	6
Unit 12	60	Int	Pass	6
Unit 14	60	Int	Pass	6
Unit 18	60	Int	Pass	6
Unit 20	60	Int	Pass	6
Totals	**1080**		**PPP**	**120**

The learner has achieved P or higher in Units 1, 2, 3, 4, 6 and 7.

The learner has sufficient points for a PPP grade.

Example 2: Achievement of an Extended Diploma with a DDM grade

	GLH	Type (Int/PSA)	Grade	Unit points
Unit 1	90	Int	Pass	9
Unit 2	90	PSA	Pass	9
Unit 3	90	Int	Distinction	24
Unit 4	90	Int	Distinction	24
Unit 5	60	Int	Pass	6
Unit 6	60	PSA	Pass	6
Unit 7	120	PSA	Distinction	32
Unit 8	60	Int	Pass	6
Unit 9	60	Int	Merit	10
Unit 10	60	Int	Merit	10
Unit 11	60	Int	Distinction	16
Unit 12	60	Int	Distinction	16
Unit 14	60	Int	Distinction	16
Unit 18	60	Int	Distinction	16
Unit 20	60	Int	Pass	6
Totals	**1080**		**DDM**	**206**

The learner has achieved P or higher in Units 1, 2, 3, 4, 6 and 7.

The learner has sufficient points for a DDM grade.

Example 3: An Unclassified result for an Extended Diploma

	GLH	Type (Int/PSA)	Grade	Unit points
Unit 1	90	Int	Pass	9
Unit 2	90	PSA	Merit	15
Unit 3	90	Int	Pass	9
Unit 4	90	Int	Merit	15
Unit 5	60	Int	Merit	10
Unit 6	90	PSA	Pass	9
Unit 7	120	PSA	Merit	20
Unit 8	60	Int	Merit	10
Unit 9	60	Int	Unclassified	0
Unit 10	60	Int	Merit	10
Unit 11	60	Int	Unclassified	0
Unit 12	60	Int	Unclassified	0
Unit 14	60	Int	Unclassified	0
Unit 18	60	Int	Pass	6
Unit 20	60	Int	Pass	6
Totals	**1080**		**Unclassified**	**119**

The learner has 240 GLH at U.

The learner has sufficient points for a PPP grade, but has a U grade in more than 180 GLH.

10 Resources and support

Our aim is to give you a wealth of resources and support to enable you to deliver BTEC International Level 3 qualifications with confidence. You will find a list of resources to support teaching and learning, and professional development on our website.

Support for setting up your course and preparing to teach

Specification

The specification (for teaching from April 2020) gives you details of the administration of the qualifications and information on the units for the qualifications.

Pearson Progress

Pearson Progress is a digital support system that helps you to manage the assessment and quality assurance of the Pearson BTEC International Level 3 Business, Enterprise and Entrepreneurship qualifications. It supports delivery, assessment and quality assurance of BTECs in centres and supports teachers and students as follows:

- course creation
- creating and verifying assignments
- creating assessment plans and recording assessment decisions
- upload of assignment evidence
- tracking progress of every learner

The system is accessible for teachers and learners so that both teachers and learners can track their progress.

Support for teaching and learning

Pearson Learning Services provide a range of engaging resources to enable you to start teaching BTEC International Level 3 qualifications. These may include the following free materials:

- delivery guides, which give you important advice on how to choose the right course for your learners and how to ensure you are fully prepared to deliver the course. They explain the key features of the BTEC International Level 3 Business and Enterprise qualifications, for example employer involvement and employability skills. They also cover guidance on assessment and quality assurance.
- sample schemes of work are provided for each mandatory unit as well as a selection of optional units. These are available in Word™ format for ease of customisation
- slide presentations for use in your teaching to outline the key concepts of a unit
- delivery plans that help you structure delivery of a qualification.

We also provide paid for resources and courseware which may include:

- teacher resource packs developed by Pearson including materials and activities to fully support your teaching of units
- student study texts across a range of mandatory and optional units to support your students throughout their programme of study.

Support for assessment

Sample assessment materials for internally-assessed units

For internal units assessed with a Pearson Set Assignment we will provide a sample assignment as an example of the form of assessment for the unit. For the remaining internal units, we allow you to set your own assignments, according to your learners' preferences and to link with your local employment profile.

We provide a service in the form of Authorised Assignment Briefs and sample Pearson Set Assignments, which are approved by Pearson Standards Verifiers. They are available via our website.

Pearson English

Pearson provides a full range of support for English learning including diagnostics, qualifications and learning resources. Please see www.pearson.com/english

Training and support from Pearson

People to talk to

There are many people available to support you and give you advice and guidance on delivery of your BTEC International Level 3 qualifications. They include the following.

- Subject Advisors – available for all sectors. They understand all Pearson qualifications in their sector and can answer sector-specific queries on planning, teaching, learning and assessment.
- Standards Verifiers – they can support you with preparing your assignments, ensuring that your assessment plan is set up correctly, and support you in preparing learner work and providing quality assurance through sampling.
- Regional teams – they are regionally based and have a full overview of the BTEC qualifications and of the support and resources that Pearson provides. Regions often run network events.
- Customer Services – the 'Support for You' section of our website gives the different ways in which you can contact us for general queries. For specific queries, our service operators can direct you to the relevant person or department.

Training and professional development

Pearson provides a range of training and professional development events to support the introduction, delivery, assessment and administration of BTEC International Level 3 qualifications. These sector-specific events, developed and delivered by specialists, are available both face to face and online.

'Getting Ready to Teach'

These events are designed to get teachers ready for delivery of the BTEC International Level 3 qualifications. They include an overview of qualification structures, planning and preparation for internal assessment, and quality assurance.

Teaching and learning

Beyond the 'Getting Ready to Teach' professional development events, there are opportunities for teachers to attend sector- and role-specific events. These events are designed to connect practice to theory; they provide teacher support and networking opportunities with delivery, learning and assessment methodology.

Details of our training and professional development programme can be found on our website.

Appendix 1: Links to industry standards

BTEC International Level 3 qualifications have been developed in consultation with industry and appropriate sector bodies to ensure that content and the approach to assessment align closely to the needs of employers. Where they exist, and are appropriate, National Occupational Standards (NOS) and professional body standards have been used to establish unit content.

In the Business, Enterprise and Entrepreneurship sector, the following approach has been used.

The mandatory content has been mapped to NOS to reflect the essential skills and knowledge needed for entry to employment.

Appendix 2: Transferable employability skills

The need for transferable skills

In recent years, higher-education institutions and employers have consistently flagged the need for learners to develop a range of transferable skills to enable them to respond with confidence to the demands of undergraduate study and the world of work.

The Organisation for Economic Co-operation and Development (OECD) defines skills, or competencies, as 'the bundle of knowledge, attributes and capacities that can be learned and that enable individuals to successfully and consistently perform an activity or task and can be built upon and extended through learning.' [1]

To support the design of our qualifications, the Pearson Research Team selected and evaluated seven global 21st-century skills frameworks. Following on from this process, we identified the National Research Council's (NRC) framework [2] as the most evidence-based and robust skills framework, and have used this as a basis for our adapted skills framework.

The framework includes cognitive, intrapersonal skills and interpersonal skills.

The NRC framework is included alongside literacy and numeracy skills.

The skills have been interpreted for this specification to ensure that they are appropriate for the subject. All of the skills listed are evident or accessible in the teaching, learning and/or assessment of the qualifications. Some skills are directly assessed. Pearson materials will support you in identifying these skills and in developing these skills in learners.

The table overleaf sets out the framework and gives an indication of the skills that can be found in Business, it indicates the interpretation of the skills in this area. A full interpretation of each skill, with mapping to show opportunities for learner development, is given on the subject pages of our website: http://qualifications.pearson.com.

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[1] OECD – *Better Skills, Better Jobs, Better Lives* (OECD Publishing, 2012)

[2] Koenig, J. A. (2011) *Assessing 21st Century Skills: Summary of a Workshop* (National Academies Press, 2011)

Cognitive skills	Cognitive processes and strategies	Critical thinking Problem solving Analysis Reasoning/argumentation Interpretation Decision making Adaptive learning Executive function
	Creativity	Creativity Innovation
Intrapersonal skills	Intellectual openness	Adaptability Personal and social responsibility Continuous learning Intellectual interest and curiosity
	Work ethic/ conscientiousness	Initiative Self-direction Responsibility Perseverance Productivity Self-regulation (metacognition, forethought, reflection) Ethics Integrity
	Positive core self-evaluation	Self-monitoring/ self-evaluation/ self-reinforcement
Interpersonal skills	Teamwork and collaboration	Communication Collaboration Teamwork Cooperation Empathy/perspective taking Negotiation
	Leadership	Responsibility Assertive communication Self-presentation

Developing the ability to make a persuasive case in the field of business enterprise and new technologies, supporting one or more arguments, including the ability to create a balanced and evaluated argument.

Recognition that business has a moral duty to all of its stakeholders and recognising that these impacts may be

Advocating the position of another in an oral presentation.

Appendix 3: Sustainability

Learning for a better world

As the world's leading learning company, creating a more sustainable world is a natural part of everything we do. Learning itself is the greatest force for change in our world and helping people gain knowledge and skills is, inherently, a way to improve our planet and our society. We do that everyday by turning our products into vibrant learning experiences, focusing on our people, and protecting our planet.

Our sustainable business strategy

We are aligning with the United Nation's Sustainable Development Goals that represent the environmental, social and governance areas in which we can make the biggest positive impact.

Our sustainable business strategy focuses on:

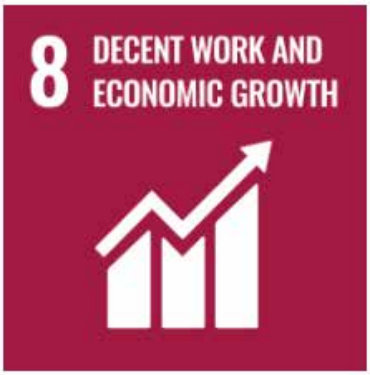
- **Products** – *driving learning for everyone with our products*

  We're widening access to learning for more people and ensuring our products have measurable outcomes.
- **People** – *empowering our people to make a difference*

  We're building a culture of belonging, along with a performance culture, so our people can make a real difference at scale.
- **Planet** – *leading responsibly for a better planet*

  We're reducing our environmental footprint and working with like-minded partners.

The United Nations' Sustainable Development Goals (SDGs) exist to achieve a better and more sustainable future for all. We contribute towards the following Sustainable Development Goals.

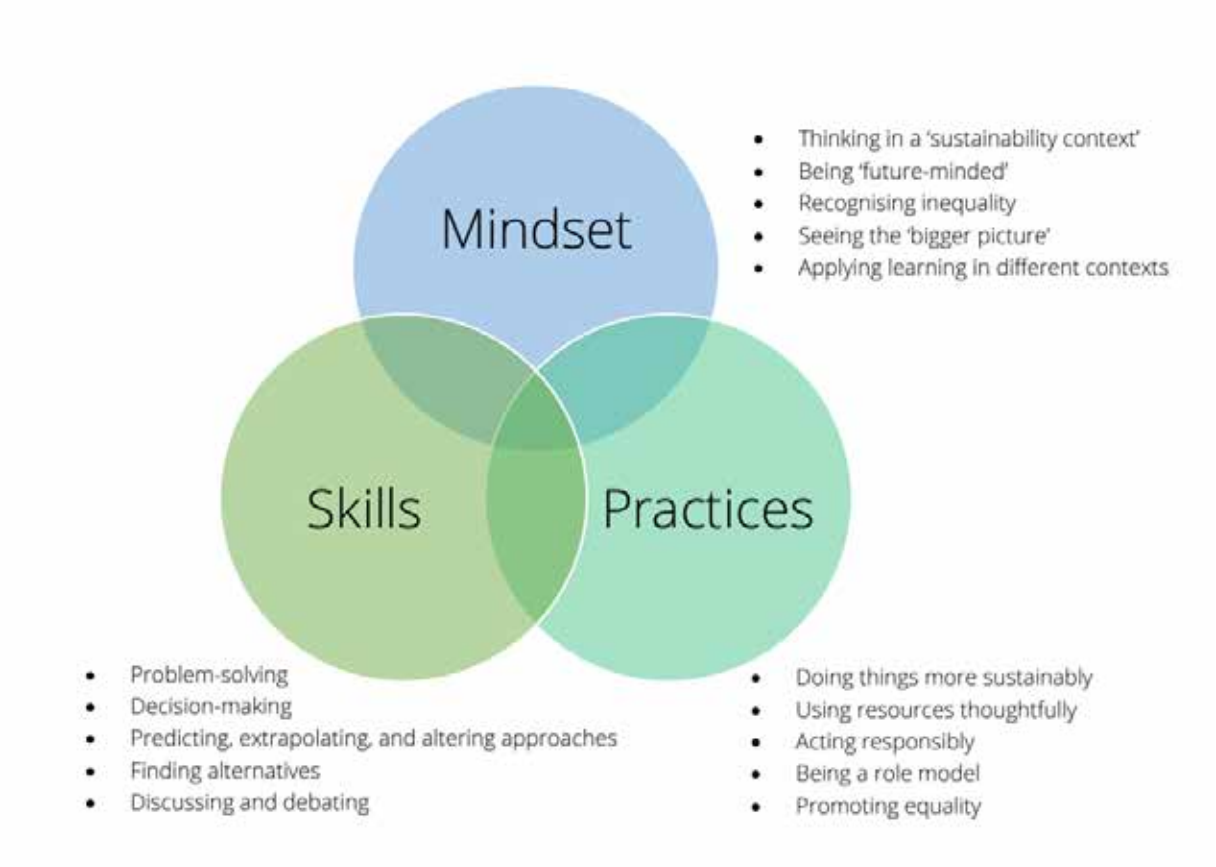


More detailed guidance on our sustainable business strategy and how we are contributing towards these goals, is available on our website at https://plc.pearson.com/en-GB/sustainability

Embedding sustainability into our qualifications

The United Nations Educational, Scientific and Cultural Organisation (UNESCO) has identified a series of cross-cutting sustainability and specialised SDG competencies, which is reflected in our qualifications.

We see sustainability in the context of our qualifications, assessments and teaching and learning resources, and how we can embed sustainability in a meaningful and pragmatic way, in three distinct areas: mindset, skills and practices.



Embedding sustainability mindset

Throughout the delivery of our BTEC Internationals, there are many opportunities to discuss sustainability topics with learners in the context of their qualification. A sustainability 'mindset' means that learners will ask the question of every topic, 'How is this sustainable?' or 'How does this affect people, the planet, and my future?'

Topics you could address in the 'sustainability mindset', are as follows:

- Energy usage
- Pollution
- Climate impact
- Human resources involved
- The global context.
- People – empowering our people to make a difference

Embedding sustainability skills

Any successful qualification teaches learners knowledge, skills and behaviours associated with a particular topic but often it is the cross-cutting skills that learners learn that end up having the most value in the long-term. Whilst we feel that a sustainable 'mindset' is vitally important to learners recognising and being able to think sustainably in the long-term, we feel that the embedding of sustainability skills is equally important because it means they will be able to 'do' something about the issue they identify through their new-found awareness of sustainability. The skills we are advocating are complementary to the skills they will develop as a matter of course on their BTEC International qualification but in this context, are given a new focus and importance.

Embedding sustainability practices

Less directly linked to the subject of a learner's study, sustainability practices are the actions and behaviours that we can encourage learners to take and develop that will enhance the sustainability of the course's delivery and their ability to make decisions and take actions that are more sustainable.

This may extend to the way they travel to school/college, the way they submit their assignment work, or the way resources are used and respected. In many ways, this is core of encouraging sustainability awareness because this is where the academic becomes practical as learners are encouraged to apply their learning in real-world ways. This aspect should complement the other key areas of sustainability covered in this section.

Our approach to sustainability in the Pearson BTEC International Level 3 in Business and Enterprise

We have considered how this qualification achieves the Sustainability Development Goals (SDGs) and Cross Cutting Skills, defined by the United Nations. Whilst acknowledging that sustainability can be approached in many ways in the design, teaching and assessment of this qualification – we have embedded sustainability by exemplifying the unit content and topic areas and provided additional guidance, with examples in the assessment guidance sections of this specification, where relevant.

In addition, the following unit(s) in the Pearson BTEC International Level 3 in Business and Enterprise explicitly includes learning aims which highlights the importance of sustainability and the effects it has within the industry.

- Unit 4: Managing an Event
- Unit 20: Business Ethics.

We have also further developed our assessments, and teaching and learning resources to strengthen and support the mindset, skills and practices we want your learners to embrace when they think about sustainability in the real-world.

Delivering Sustainability through Classroom Activities

Sustainability is an area that can be addressed by all vocational subjects. Teachers should consider how they can actively address sustainability as they deliver subject content and create awareness of sustainability. Examples of this could include:

- Use of sustainability related case studies to reinforce topics delivered:
  - The use of non-fossil fuel to power cars and aircraft
  - How attitudes towards the carbon footprint of food and raw materials have affected manufacturing and logistical processes
  - Sustainable travel and tourism
  - Social entrepreneurship and sustainable practices
  - Sustainable agricultural practices
  - Sustainability in art and the portrayal of visual images and artefacts
  - Repurposing of land and buildings to reduce the release of harmful materials into the environment
  - Poverty reduction and job growth
- Considering the long-term impact on the environment and climate by the organisations and vocational sectors being studied:
  - The disposable of materials and chemicals from manufacturing processes
  - The use of solar power and green energy to heat buildings and to power machinery
  - Organisational culture and adoption of sustainable business practices

More detailed guidance about our approach, with examples of how you can embed sustainability into the qualifications you deliver, is available on our qualifications website.

Appendix 4: Glossary of terms used

This is a summary of the key terms used to define the requirements in the units.

Term	Definition
Analyse	Learners present the outcome of methodical and detailed examination either: · breaking down a theme, topic or situation in order to interpret and study the interrelationships between the parts and/or · of information or data to interpret and study key trends and interrelationships. Analysis can be through activity, practice, written or verbal presentation.
Assess	Learners present a careful consideration of varied factors or events that apply to a specific situation or, to identify those which are the most important or relevant and arrive at a conclusion.
Communicate	Learners are able to convey ideas or information to others.
Compare	Learners can identify the main factors relating to two or more items/situations or aspects of a subject that is extended to explain the similarities, differences, advantages and disadvantages. This is used to show depth of knowledge through selection of characteristics.
Create/construct	Skills to make or do something, for example a display or set of accounts.
Discuss	Learners consider different aspects of: · a theme or topic · how they interrelate · the extent to which they are important. A conclusion is not required.
Demonstrate	Learners show knowledge and understanding.
Develop	Learners grow or progress a plan, ideas, skills and understanding.

Term	Definition
Evaluate	Learners' work draws on varied information, themes or concepts to consider aspects such as: · strengths or weaknesses · advantages or disadvantages · alternative actions · relevance or significance. Learners' inquiries should lead to a supported judgement showing relationship to its context. This will often be in a conclusion. Evidence will often be written but could be through presentation or activity.
Explore	Skills and/or knowledge involving practical research or testing.
Examine	Knowledge with application where learners are expected to select and apply to less familiar contexts.
Identify	Learners indicate the main features or purpose of something by recognising it and/or being able to discern and understand facts or qualities.
Interpret	Learners state the meaning, purpose or qualities of something through the use of images, words or other expressions.
Investigate	Learners conduct an inquiry or study into something to discover and examine facts and information.
Justify	Learners give reasons or evidence to: · support an opinion, or · prove something right or reasonable.
Manage	Learners can engage with and influence an activity or process.
Report	Learners can adhere to protocols, codes and conventions where findings or judgements are set down in an objective way.
Research	Learners proactively seek information from primary and secondary sources.
Review	Learners make a formal assessment of work produced. The assessment allows learners to: · appraise existing information or prior events · reconsider information with the intention of making changes, if necessary.
Stage and manage	Organisation and management skills, for example running an event or a business pitch.
Undertake/carry out	Learners use a range of skills to perform a task, research or activity.

This is a key summary of the types of evidence used for BTEC International Level 3 qualifications.

Type of evidence	Definition and purpose
Case study	A specific example to which all learners must select and apply knowledge.
Project	A self-directed, large-scale activity requiring planning, research, exploration, outcome and review. Used to show self-management, project management and/or deep learning, including synopticity. A large-scale activity requiring self-direction of selection of outcome, planning, research, exploration, outcome and review.
Independent research	An analysis of substantive research organised by learners from secondary and, if applicable, primary sources.
Written task or report	Individual completion of a task in a work-related format, for example a report, marketing communication, set of instructions.
Simulated activity/role play	A multi-faceted activity mimicking realistic work situations.
Group task	Learners work together to show skills in defining and structuring activity as a group.
Presentation	Oral or through demonstration.
Production of plan/business plan	Learners produce a plan as an outcome related to a given or limited task.
Reflective journal	Completion of a journal from work experience detailing skills acquired for employability.
Poster/leaflet	Documents providing well-presented information for a given purpose.
Skills audit	An audit of relevant skills for a task/activity or job role.
SWOT analysis	Strengths, Weaknesses, Opportunities and Threats – an analysis using terms on a particular topic or skill.

Appendix 5: Key Business Terminology used in this specification

Business organisations – types, ownership and funding		
Term	**Alternatives and variations**	**Definition**
Equity funding	Equity finance	The process of raising finance for a business from external sources including the sales of shares (equity finance)
Liability	Unlimited liability Limited liability	The extent of a business owner's liability or responsibility to the business's debts A business owner with unlimited liability may have to sell their own personal possessions to pay off business debts whereas a business owner with limited liability would only lose the amount they have invested in the business – their personal possessions could not be sold to pay for the business's debts.
Organisation/s	Business/es, Enterprises	These conduct business practice in the private and public sectors, to make a profit/surplus/break-even, e.g. limited liability companies' partnerships, sole traders, charities, social enterprises, public corporations.
Partnership		A business of two or more people who contribute money to the business and then receive a share of the profit. Partners usually have unlimited liability.
Private Limited Company	Ltd.	Private sector company owned by shareholders, who have limited liability. Shares are traded privately and agreement of other shareholders is needed. Shareholders are limited to 50.
Private sector		Comprises organisations such as sole traders, partnerships and limited companies that are owned by private individuals or shareholders who provide the capital, take the risks and share in the profits made by the business.
Public Limited Company	Plc. Limited Liability Company	Private sector company owned by shareholders, who have limited liability. Shares are traded freely on a stock exchange and there is no limit to the number of shares that can be owned.

Business organisations – types, ownership and funding		
Public sector		Comprises organisations such as public corporations which are owned, financed and managed by the government on behalf of the taxpayers/public. Any surpluses made from their trading activities are ploughed back into the organisation.
Shareholders		The owners of private and public limited companies who receive a share of the profits based upon the amount of shares they hold. Shareholders have limited liability for a business's debts.
Sole trader	One-person business	The simplest form of business. Owned by one individual who invests all the capital, takes all the risks and receives all the profits. Sole traders have unlimited liability to the business's debts.
Stock exchange	Stock market	A place where shareholders in public limited companies can buy and sell shares
Stock market flotation	Flotation	The process involved in becoming a public limited company; involves the purchase of shares in the company by investors which can then be sold on the stock market.

Financial terminology		
Term	**Alternatives and variations**	**Definition**
Accruals	Other payables	Money owed by a business for a product or service it has received for which it has not yet paid
Bad debts	Irrecoverable debts	A debt owed to the business that will never be paid (or recovered) and has to be written off
Bank and cash deposits	Cash and cash equivalents	Short-term highly liquid assets that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value
Bank interest paid	Finance costs	The cost of business loans
Bank interest received	Investment revenue/finance income	Interest earned by the business on its investments
Capital (in relation to the statement of financial position or balance sheet)	Equity	The owner's initial investment in the business minus the owner's drawings from the business plus the net profit (or minus the net loss) since the business began
Cash flow		Cash inflow and outflows into and out of a business
Cash flow forecast		A forecast of cash inflows and cash outflows of a business over a specific period of time
Cash flow statement	Statement of cash flows	A summary of cash inflow and outflows into and out of a business over a specific accounting period, usually one year
Cost of goods sold	Cost of sales	The direct costs incurred in the production of goods or supply of services
Creditors	Trade payables	Money owed by a business to its suppliers
Current ratio	Working capital ratio	Current assets divided by current liabilities. Provides an indication of the business's ability to cover its liabilities.
Debtors	Trade receivables	Money owed to a business by its customers

Financial terminology		
Term	**Alternatives and variations**	**Definition**
Expenses	Other operating expenses Overhead expenses Overheads	Business costs which do not depend on sales or production quantities, e.g. rent, heating, lighting, marketing
Financial statements	Final accounts Accounts	A set of a business's financial data for a specific period of time, usually one year, that can be used to monitor its performance relating to profitability, liquidity and efficiency
Gross profit margin		The percentage of sales revenue remaining after the cost of sales has been deducted from sales revenue
Interest paid	Finance costs	Interest paid by the business on its business loans
Liquid capital ratio	Liquid assets ratio Acid test ratio	Current assets – inventory divided by current liabilities
Liquidity		The extent to which a business can convert its assets into cash to pay its short-term debts
Net current assets	Working capital	Current assets minus current liabilities
Net profit margin		The percentage of sales revenue remaining after all operating expenses have been deducted from sales revenue
Non-current assets	Fixed assets	Assets purchased (and owned) by the business for its long-term use such as plant and machinery
Non-current liabilities	Long-term liabilities	Long-term debt commitments which the business has to repay over a period longer than one year
Other income	Other operating income	Monies received from sources apart from sales revenue and investment income received by a business, e.g. income received from the sale of non-current (fixed) assets
Owner's capital	Equity	The owner's investment in the business minus the owner's drawings from the business plus the net profit (or minus the net loss) since the business began
Prepayments	Other receivables	Money paid by a customer to a business in advance of the goods or services being supplied later on to the customer by the business

Financial terminology		
Term	**Alternatives and variations**	**Definition**
Profit	Profit for the year Net profit	Money generated by a business from its trading activities after deducting its operating expenses
Retained profit	Retained earnings	The profit kept in the business rather than paid out to shareholders/owners as a dividend
Revenue	Sales; turnover	The money received by the business from selling its products or services
Revenue expenditure	Operating costs	The amount of money spent by the business on costs such as heating, lighting, marketing, insurance and transport
Statement of comprehensive income	Profit and loss account Income statement	A financial statement which shows how the net profit/loss for the year has been derived
Statement of financial position	Balance sheet	A financial statement which details the value of a business's assets (what it owns), its liabilities (what it owes) and equity/capital (the owner's contribution)
Variance analysis	Variance accounting	An analysis of the differences in planned performance, e.g. costs, revenue, sales, against actual performance
VAT (Value added tax)	Purchase tax	A tax added to the purchase price of a product or service which is paid to the government

Other specialist terms used in business		
Term	**Alternatives and variations**	**Definition**
Buying	Procurement	The purchase of goods and services by a business to support its business operations
Digital media		Digitised content that can be read by computers and transmitted over the internet or computer networks.
Double bottom line	Triple bottom line	The outcome of social/environmental accounting in respect of the impact on financial performance (the bottom line) but incorporating both the environmental and social impact
Entrepreneur	Entrepreneurship	A person who takes business risks usually by starting up a business (because the business may make a loss) and receives the rewards (in the form of profits)
Exit strategy		An entrepreneur's plan to sell their ownership in a business to investors or another business
Intrapreneur	Intrapreneurship	An employee who uses the skill set associated with an entrepreneur to develop and take forward innovations to products or systems within the business
Local Enterprise Partnerships (LEPs); Enterprise Zones (EZs)		Agreements made between businesses and local government that aim to identify and support regional economic priorities
Marketing mix	Extended marketing mix	A set of components that are combined together by a business to establish a coordinated marketing strategy
Marketing strategy		A series of activities conducted by a business to inform consumers about the business's products and service in order to persuade them to buy the goods and services
Social accounting	Environmental management accounting	The generation and analysis of financial and non-financial data to determine the impact of a business's activities on people and the environment

Other specialist terms used in business		
Term	**Alternatives and variations**	**Definition**
Social enterprise		An organisation that focuses upon social issues such as the socially disadvantaged and the environment. Their profits/surpluses are reinvested into the enterprise to support their objectives.
Social entrepreneur		A person who is willing to take on the risk and effort to create an enterprise that will generate positive changes in society through its activities
STEEPLE analysis	PESTLE analysis PEST analysis	A planning tool that enable a business to identify the external features that may impact upon its operations and longer-term strategic direction The letters represent the various factors that can be analysed when analysing the external environment within which the business operates: STEEPLE = Social Technological Economic Environmental Political Legal Ethical (Note PEST analysis only includes the first four factors) PESTLE= Political Economic Social Technological Legal Environmental

Other specialist terms used in business		
Term	**Alternatives and variations**	**Definition**
Stock	Inventory	Goods that are in various stages of being made ready for sale, including: finished goods (that are available to be sold); work-in-progress (meaning in the process of being made); raw materials (to be used to produce more finished goods)
Stock control	Inventory management Inventory control	Business processes which aim to ensure that the business has efficient and cost-effective systems in place, in respect of goods or raw materials, to meet customer demand
Supply chain management	Logistics management	The cost-effective processes involved in planning and controlling a product's flow, from securing the raw materials used in production through to the distribution to the final customer
Sustainability		Development that meets the needs of the present generation, without compromising the ability of future generations to meet their own needs (Brundtland Report 1987)
The Bank of England	Central Bank Reserve Bank	The Government's Bank
Threats and 'what-if scenarios'	Sensitivity analysis	Analysing the impact of different risk factors and threats on desired business outcomes
Unique selling point (USP)	Unique selling proposition (USP)	A specific feature of a product that differentiates it from its competitors, resulting in a potential competitive advantage
Viral marketing		Digital media incorporated into a marketing strategy that can be spread across the internet by social media

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